

FILED
WOOD COUNTY CLERK
COMMON PLEAS COURT

2018 DEC 31 P 12:39

CINDY A. HOPNER

IN THE COMMON PLEAS COURT OF WOOD COUNTY, OHIO

GLOBAL DISTRIBUTION CENTER, LLC.
29180 GLENWOOD ROAD
PERRYSBURG, OHIO 43551

PLAINTIFF,

v.

**THE HANOVER INSURANCE GROUP,
CITIZENS INSURANCE COMPANY OF
AMERICA**

C/O CT CORPORATION SYSTEM
4400 EASTON COMMONS WAY, SUITE 125
COLUMBUS, OH 43219,

AND

VERLAN FIRE INSURANCE COMPANY,
C/O CT CORPORATION SYSTEM
4400 EASTON COMMONS WAY, SUITE 125
COLUMBUS, OH 43219,

AND

**THE HARTFORD STEAM BOILER
INSPECTION AND INSURANCE
COMPANY**

C/O KEGLER, BROWN, HILL & RITTER
ATTN: ROBERT G. SCHULER
65 E. STATE ST., SUITE 1800
COLUMBUS, OH 43215-4294,

Defendants.

CASE No.: 2018 CV0703

HONORABLE: JUDGE

JUDGE KELSEY

COMPLAINT
WITH JURY DEMAND ENDORSED
HEREUPON

**THE LAW OFFICE OF NORMAN A.
ABOOD**

Norman A. Abood (0029004)
101 Broadcast Building

136 N. Huron Street
Toledo, OH 43604

Telephone: 419-724-3700

Fax: 419-724-3701

E-Mail: norman@nabood.com

*Attorney for Plaintiff Global Distribution
Center, LLC*

NOW COMES the Plaintiff, Global Distribution Center, LLC, by and through its undersigned counsel, Norman A. Abood, and for its Complaint states as follows:

PARTIES/PERSONS

1. Plaintiff, Global Distribution Center, LLC (alternatively referred to as “GDC” or “Plaintiff”) is an Ohio limited liability company, in good standing, having its principal place of business in Perrysburg, Wood County, Ohio.
2. GDC is the owner of real property and improvements including, but not limited to, amongst other items, five (5) warehouse/manufacturing buildings which it rents to various tenants, including, but not limited to, Goodwill Industries, Walgreens, Pallet World, Inc., Cooper Tire & Rubber Co., comprising approximately 800,000 ft.², multiple high-voltage transformers with related electrical distribution systems, related yard space and a 10,000 KVA electrical substation all having a common address of 29180 Glenwood Rd., Perrysburg, OH 43551 (the “GDC’s Property”).
3. Defendant, Citizens Insurance Company of America (“Citizens”), is a property & casualty insurer, and is part of Defendant, The Hanover Insurance Company (“Hanover”), group of insurance companies, licensed to do business in the state of Ohio, assigned National Association of Insurance Commissioners (“NAIC”) #31534.
4. Defendant Verlan Fire Insurance Company (“Verlan”) is a property & casualty insurer, licensed to do business in the state of Ohio, assigned NAIC # 10815.
5. Defendant, The Hartford Steam Boiler Inspection and Insurance Company (“Hartford”), is a property & casualty insurer, licensed to do business in the state of Ohio, assigned NAIC number 11452.
6. Defendant Hartford is a reinsurer of coverage undertaken by Defendant Verlan.

7. Nonparty Laibe Electric/Technology (“Laibe”) is an electrical contractor doing business in Northwest Ohio hired by GDC to evaluate and repair the GDC Property Loss suffered by as described hereinbelow.
8. Nonparty Nederveld Forensic Engineering & Fire Investigation (“Nederveld”) is Michigan engineering firm hired by Citizen’s to provide analysis of the cause and extent of the GDC Property Loss described hereinbelow.
9. Nonparty Envista, Inc. (“Envista”) is an engineering firm hired by Citizens Verlan and Hartford to provide analysis of the cause and extent of the GDC property loss as described hereinbelow.

THE SUBJECT INCIDENT/PROPERTY LOSS

10. Plaintiff repeats and reiterates each and every allegation set forth in paragraphs 1 through 6 hereinabove as if fully rewritten herein.
11. On the evening of June 30, 2017-July 1, 2017, at shortly after midnight, i.e. the early morning of July 1, 2017, (the “Date of Loss”), a storm occurred involving high winds and lightning resulting in one or more electrical events at the GDC Property damaging, rendering inoperable, and/or destroying amongst other items of personal property and real property improvements, numerous electrical transformers, an electrical sub-station, telephone poles and equipment located thereupon, electrical lines, electrical systems, fire suppression systems, and lighting systems owned by GDC and located on the GDC Property (the “Property Loss”).
12. As a direct and proximate result of the damage to the GDC Property’s electrical systems, including, but not limited to damage to, the 10,000 KVA electrical substation, other substations and transformers, electrical lines and systems, GDC’s 5 warehouse buildings

were completely shut down due to loss of power and power transmission requiring GDC to immediately implement on-site power generation through multiple rented large fuel-powered generators and temporary installation of electrical transmission lines.

INSURANCE COVERAGE

13. Plaintiff repeats and reiterates each and every allegation set forth in paragraphs 1 through 11 hereinabove as if fully rewritten herein.

14. At the time of the Property Loss, GDC's Property 4 of the 5 buildings were insured by Defendants Hanover/Citizens, per policy number Z7WD00330500, see Exhibit 1 hereto, and building 48 was insured by Defendant Verlan, per policy number M004261-16, see Exhibit 2 hereto.

15. At the time of the Property Loss, coverage of the GDC Property Loss was reinsured by Hartford.

PROPERTY LOSS CLAIM ADJUSTMENT

16. Plaintiff repeats and reiterates each and every allegation set forth in paragraphs 1 through 14 hereinabove as if fully rewritten herein.

17. GDC timely submitted its claim for the GDC Property Loss to Citizens.

18. GDC timely submitted its claim for the GDC Property Loss to Verlan.

19. GDC has timely cooperated with Citizens and its representatives in providing information concerning the Property Loss.

20. GDC has timely cooperated with Verlan and its representatives in providing information concerning the Property Loss.

21. Shortly after the date of loss, Citizens and/or Verlan sent a senior loss examiner working for

22. On July 14, 2017, Tamara L. Weber, Executive General Adjuster, Property Claims-Large Loss, from the Hanover Insurance Group confirmed coverage under both the Citizens policy and the Verlan policy and undertook adjustment of the GDC Property Loss.
23. At all times material herein, Tamara L. Weber has been acting within the scope of her engagement/employment on behalf of Defendants.
24. On or about July 2017, Nederveld, through its senior forensic electrical engineer performed a forensic analysis of the cause and extent of the GDC Property Loss.
25. Nederveld's conclusion as to the cause of loss was one or more lightning strikes and Nederveld described the loss to GDC's personnel as catastrophic.
26. The surge of electrical power through downed power lines during the electrical events involved in the GDC Property Loss caused dirt in the area of the 10,000 KVA electrical substation to crystallize into glass.
27. On or about November 10, 2017, GDC submitted its Property Loss claim based upon Laibe's evaluation of the extent of Property Loss in the amount of \$2,637,464.18 (the "GDC Claim").
28. In response to the GDC Claim, November 10, 2017, Tamara Weber, wrote: "This will take some time to review and I will likely need to get a secondary opinion on this."
29. GDC immediately responded on November 10, 2017 in writing stating to Ms. Weber: "If you need a second opinion please arrange it asap. Also if they are going to need a site visit I'll need to coordinate schedules. I want to be there to assure completeness the first time through to get it done asap."
30. Envista then performed a visit which was in the presence of GDC personnel during which Envista requested electrical blueprints which were immediately copied and made available to

Envista, which Envista did not bother to take, and performed what could be at best described as a cursory walk through of the GDC Property.

31. Subsequent to Envista's GDC site visit Ms. Weber indicated she needed further testing to adjust the claim without establishing a timeframe for such testing.
32. As of December 14, 2017, no report had been provided GDC from Envista and no scheduling for further testing established.
33. On December 14, 2017, almost 6 months post-loss, GDC, through counsel, expressed the financial distress GDC was suffering as a consequence of the property loss and GDC's need to get their operations repaired and related bills paid.
34. Subsequent to December 14, 2017, and despite Nederveld's initial evaluation of the GDC Property having sustained a catastrophic loss, Ms. Weber being fully informed of the extent of power loss necessity of substitute power generation, temporary line repairs and the subsequent site inspection by Envista, Ms. Weber requested additional documentation as to the basis for GDC's Claim.
35. Ms. Weber asserted that delays in further evaluation were because Laibe was not responding to Envista, a claim which Laibe denied and refuted in writing.
36. As of January 5, 2018, the only additional testing requested by Defendants related to the damage to the 10,000 KVA electrical substation.
37. As of January 5, 2018, none of the GDC Claim had been paid.
38. On January 9, 2018, GDC wrote directly to Envista asking specifically "with regard to the evaluation of the lightening (sic, s/b lighting) and fixtures portion of the claim, do you have everything needed to complete this evaluation and report to Ms. Weber? If there is anything

you can do to help move this portion of the process along it will be appreciated. Please let me know your thoughts. I'll be looking forward to your reply.”

39. Substation testing was not completed until January 31, 2018.
40. As of February 28, 2018, GDC, other than continual requests for additional inspection and testing, had not received a response to the GDC Claim submitted November 10, 2017.
41. On February 28, 2018, GDC, through counsel, formally requested Ms. Weber's evaluation of in response to the GDC Claim, noting GDC's financial losses being continually incurred as a result of nonpayment of the GDC Claim.
42. On March 1, 2018, rather than pay or deny GDC's Claim, Defendants changed adjusters; Ms. Weber wrote, “Based on the additional testing/evaluation/investigation into this matter it has been determined that the claim will be adjusted under the Equipment Breakdown coverage provided to the Global Distribution policies for both Hanover and Verlan. Based on this, Mr. Ashley of Hartford Steam Boiler will be reaching out to you with further correspondence and a plan of action to address the outstanding concerns.”
43. On March 2, 2018, Mr. David Ashley, Gen. Adjuster for Defendant Hartford asserted for the first time that the cause of electrical damage at the GDC Property “was not the result of lightning” asserting the problem originated when an energized overhead electrical wire came in contact with a neutral or non-energized wire. This occurred in the 12,470 Volt overhead line at one of the poles between the insured substation and where the electrical enters the building.”
44. Mr. Ashley offered no analysis as to the cause of the overhead electrical wire coming into contact with a neutral/non-energized wire.

45. Mr. Ashley further stated that the 10,000 KVA substation had not sustained any internal damage although the 10,000 KVA substation had not been turned on to substantiate that claim.
46. Mr. Ashley further stated on March 2, 2018, he *would be* obtaining an Envista report of Envista's findings.
47. On April 2, 2018, GDC through counsel responded to Mr. Ashley again reasserting the economic hardship caused GDC by the GDC Property Loss and confirming that GDC had not as of that date received any follow-up to Mr. Ashley's March 2, 2018 representations.
48. As of May 3, 2018, there was still no response from Mr. Ashley and GDC again reached out to Ms. Weber for her assistance in obtaining a response to the GDC Claim.
49. On May 18, 2018, Envista reported an additional scope of work needed to repair the overhead lines at GDC to David Ashley.
50. The May 18, 2018, Envista report was based upon Envista's ground viewing of electrical line damage existing since the date of loss, and located approximately 25 feet overhead without any overhead inspection.
51. Envista's May 18, 2018 report did not include actual damage visible on proper inspection and existing since the date of loss and as a consequence of the electrical event sustained by GDC on the date of loss.
52. Based upon the Envista May 18, 2018 report, GDC demanded re-inspection in the hope of assuring complete evaluation of the extent of the GDC loss which re-inspection did not take place until June 28, 2018.

53. As of July 12, 2018, more than one year post-loss, having had no response to the June 28 , 2018 re-inspection, GDC, through counsel, reached out to both Mr. Ashley and Ms. Weber seeking their evaluation and adjustment of the GDC Claim.
54. On July 12, 2018, Mr. Ashley responded to GDC's counsel's request advising that he had not received Envista's report of findings from their June 28, 2018 inspection, and could not respond until further information was obtained.
55. On September 17, 2018, Mr. Ashley reported to GDC that based upon Envista's June 28, 2018 inspection in their August 3, 2018 report there was additional damage identified but also denied that other damage previously documented was related to the electrical event, and that he was awaiting estimates for the cost of repair of those items of damage which he agreed were caused by the June 30/July 1, 2017 electrical event.
56. On September 25, 2018 GDC, through counsel, notified Mr. Ashley and Ms. Weber that it was GDC's position that there continual stretching of the claim and delay in final adjustment/payment was "clearly a designed pattern" causing GDC serious unjustifiable financial hardship.
57. On September 28, 2018 Mr. Ashley stated he needed further information to be in a position to authorize final payment on the GDC claim.
58. On October 12, 2018 GDC directly responded Mr. Ashley demanding substantiation for the positions asserted by Mr. Ashley, noting the delays and incomplete evaluations undertaken by the defendants and demanding immediate review and response. A true and accurate copy of GDC's October 12, 2018 communication is attached hereto and made a part hereof as Exhibit 3.

59. In December 2018, Defendant Hartford made an approximate hundred \$123,500 payment directly to GDC and not through counsel.
60. On December 26, 2018, Mr. Ashley indicated that the claims file was being assigned to another adjuster.
61. Defendants' actions jointly and/or severally as aforesaid were undertaken with no reasonable justification and in direct breach of Defendant's obligations to GDC as required by the policies of insurance, the customs and standards in the property & casualty insurance industry and the laws of the state of Ohio.
62. Defendants' jointly and/or severally directly and proximately damaged GDC causing it loss of use of its insured Property, lost revenue, lost profits, excessive repair costs, interference with its relationships with its tenants, increased attorney fees, which damages are ongoing and continuing into the future, the full extent of which shall be demonstrated at trial upon the merits hereof.

COUNT I

63. Plaintiff repeats and reiterates each and every allegation set forth in paragraphs 1 through 62 hereinabove as if fully rewritten herein.
64. Defendants jointly and/or severally breached their respective contracts with GDC to provide coverage, to pay for repairs pursuant to that coverage, and to represent GDC's interests in obtaining the benefits provided by the policy to which GDC was entitled.
65. Some or all of Defendants joint and/or several breaches as aforesaid were intentional and showed a complete disregard for GDC's rights.

66. As a direct and proximate result of Defendants' joint and/or several breaches as aforesaid, GDC is entitled to damages for breach of contract in excess of \$25,000 plus an award of costs incurred herein.

67. As a direct and proximate result of Defendants' joint and/or several breaches as aforesaid, GDC is entitled to recover punitive damages, attorney fees and prejudgment interest.

COUNT II

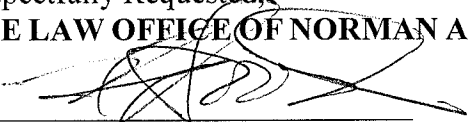
68. Plaintiff repeats and reiterates each and every allegation set forth in paragraphs 1 through 67 hereinabove as if fully rewritten herein.

69. Defendants jointly and/or severally as aforesaid acted in bad faith and without reasonable justification for their actions.

70. As a direct and proximate result of Defendants bad faith as aforesaid, GDC is entitled to recover damages in excess of \$25,000 plus costs, punitive damages and attorney fees.

WHEREFORE, Plaintiff prays for judgment against Defendants, jointly and/or severally, for damages in excess of \$25,000, but no less than an amount than will adequately compensate GDC for its damages, the full amount of which shall be demonstrated at trial upon the merits hereof, plus an award of punitive damages, prejudgment interest, costs of prosecution of this case, and attorney fees, as well as such other and further relief as this Court may deem just or equitable.

Respectfully Requested,
THE LAW OFFICE OF NORMAN A. ABOOD



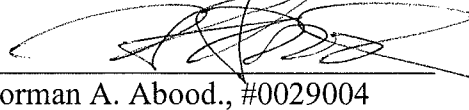
Norman A. Abood., #0029004
Attorney for Plaintiff, Global Distribution Center, LLC

JURY DEMAND

Plaintiff prays for trial by jury on all issues so triable herein.

Respectfully requested,

THE LAW OFFICE OF NORMAN A. ABOOD



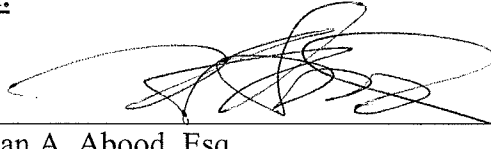
Norman A. Abood., #0029004

Attorney for Plaintiff, Global Distribution Center, LLC

PRAECIPE FOR SERVICE

TO THE CLERK:

Please serve this Complaint with Summons upon each of the named defendants at the addresses set forth in the caption to this Complaint hereinabove by way of certified first-class United States mail, postage prepaid.



Norman A. Abood, Esq.

Attorney for Plaintiff, Global Distribution Center, LLC

EXHIBIT 1



KNIGHT
INSURANCE GROUP

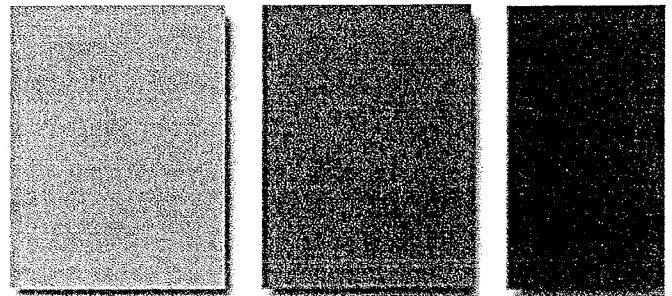
PREPARED FOR:

Global Distribution Center, LLC

Summary of Coverage
Term: 08/04/16 - 08/04/17

Prepared by: Allison Hammons, CIC, CPIW &
Jane Crispen, CIC, CISR

29180 Glenwood
Perrysburg, OH 43551
PH 419-666-1109
FX 419-666-1214



Agency
of
Choice

Commercial Property Outline

PRM#	BLD#	Sub. of Insurance	Amount	Co-Insurance	Deductible	Valuation
29180 Glenwood Road, Perrysburg - Office						
1	1	Building	\$185,106	100%	\$75,000	Actual Cash Value
1	1	Contents	\$50,000	100%	\$75,000	Replacement Cost
1	1	Business Income & Extra Expense	\$50,000	50%	72 Hours	
29180 Glenwood, Perrysburg - Warehouse						
1	2	Building	\$7,577,992	100%	\$75,000	Actual Cash Value
1	2	Business Income & Extra Expense	\$125,000	50%	72 Hours	
29180 Glenwood, Perrysburg - Warehouse						
1	3	Building	\$7,577,992	100%	\$75,000	Actual Cash Value
1	3	Business Income & Extra Expense	\$125,000	50%	72 Hours	
29180 Glenwood Rd, Perrysburg - Maintenance Building						
1	4	Building	\$313,845	100%	\$75,000	Actual Cash Value
1	4	Contents	\$50,000	100%	\$75,000	Replacement Cost

Coverage Form:
SPECIAL

Endorsements:

Agreed Value
Equipment Breakdown
Silver Property Broadening Endorsement
Real Estate Property Broadening Endorsement

Co-Insurance:

Insurance Carried (policy amount at time of loss)

Insurance Required (valued at the time of loss)

X Loss – Deductible = Settlement

Commercial General Liability Outline

Coverage	Limit
General Aggregate	\$2,000,000
Products/Completed Operations	2,000,000
Personal/Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
Fire Damage	\$100,000
Medical Expense, each person	\$5,000

Endorsements:

Commercial General Liability Enhancement

Commercial General Liability Classifications

Premium Determination:

Loc	Class Code	Classification	Premium Basis
1	61227	Buildings or Premises - Office Not for Profit Only	Base Area 2,700 Square Feet
1	61217	Building or Premises Bank, Office, Mercantile or Manufacturing Lessor 's Risk	Base Area 800,000 Square Feet

Commercial Property Outline – Building #48

PRM#	BLD#	Sub. of Insurance	Amount	Co-Insurance	Deductible	Valuation
Building #48 / 29180 Glenwood Road, Perrysburg						
1	1	Building	\$16,000,000		\$75,000	Actual Cash Value
1	1	Rental Value	\$120,000	50%	\$75,000	

Coverage Form:
SPECIAL

Endorsements:

Equipment Breakdown

Deductibles:

\$75,000 Property Damage

2 Times Average Daily Value Time Element

Premium Summary

Coverage Type	Carrier	Annual Premium
Property	Hanover Insurance Group	\$25,068
General Liability	Hanover Insurance Group	\$7,334
Property – Building #48	Vertan Fire Insurance Company	\$24,373
Total Annual Premium		\$56,775

Disclaimer:

The abbreviated outline of coverages used throughout this summary is not intended to express any legal opinion as to the nature of coverage. It is only a visual aid to a basic understanding of coverages. Please read your policy for specific details of coverages.

This summary is based on information provided by you. It is not a warranty or a guarantee of coverages.



Z7W D003305 00

Citizens Insurance Company of America (A Stock Company)
808 North Highlander Way, Howell, MI 48843-1070
Commercial Line Policy
Common Declarations

CM

Policy Number	Policy Period		Coverage is Provided in the:	Agency Code
	From	To		
Z7W D003305 00	08/04/2016	08/04/2017	Citizens Insurance Company of America	2003794

Named Insured and Address :**Agent :**

GLOBAL DISTRIBUTION CENTER LLC
 29180 GLENWOOD RD
 PERRYSBURG OH 43551

THE KNIGHT INSURANCE
 AGENCY INC
 22 N ERIE ST
 TOLEDO OH 43604

Branch : Ohio
Policy Period : **From** 08/04/2016 **To** 08/04/2017
 12:01 A.M. Standard Time at Your Mailing Address Shown Above.
Business Description: Warehouse
Legal Entity: Limited Liability Corporation

In Consideration of the premium, insurance is provided the Named Insured with respect to those premises described in the attached schedule(s) for which a specific limit of insurance is shown. This is subject to all terms of this policy including Common Policy Conditions. Coverage Parts, Forms and Endorsements may be subject to adjustment and/or a policy minimum premium.

Commercial Property Coverage	\$25,068.00
Commercial General Liability Coverage	\$7,334.00
Commercial Inland Marine Coverage	Not Covered
Commercial Crime Coverage	Not Covered
Commercial Auto Coverage	Not Covered
Total Surcharges Premium	N/A
Additional Premium For Policy Minimum	N/A
** Total	\$32,402.00

**INCLUDES PREMIUM, IF ANY, FOR TERRORISM; REFER TO DISCLOSURE NOTICE

Countersigned _____ By _____

4 Pay - 25% Down

Group Number ZBS



Customer Notice of Privacy Policy and Producer Compensation Practices Disclosures

Privacy Policy Disclosure

Collection of Information

We collect personal information so that we may offer quality products and services. This information may include, but is not limited to, name, address, Social Security number, and consumer reports from consumer reporting agencies in connection with your application for insurance or any renewal of insurance. For example, we may access driving records, insurance scores or health information. Our information sources will differ depending on your state and/or the product or service we are providing to you. This information may be collected directly from you and/or from affiliated companies, non-affiliated third parties, consumer reporting agencies, medical providers and third parties such as the Medical Information Bureau.

We, and the third parties we partner with, may track some of the web pages you visit through cookies, pixel tagging or other technologies. We currently do not process or comply with any web browser's "do not track" signals or similar mechanisms that request us to take steps to disable online tracking. For additional information regarding online privacy, please see our online privacy statement, located at www.hanover.com.

Disclosure of Information

We may disclose non-public, personal information you provide, as required to conduct our business and as permitted or required by law. We may share information with our insurance company affiliates or with third parties that assist us in processing and servicing your account. We also may share your information with regulatory or law enforcement agencies, reinsurers and others, as permitted or required by law.

Our insurance companies may share information with their affiliates, but will not share information with non-affiliated third parties who would use the information to market products or services to you.

Our standards for disclosure apply to all of our current and former customers.

Safeguards to Protect Your Personal Information

We recognize the need to prevent unauthorized access to the information we collect, including information held in an electronic format on our computer systems. We maintain physical, electronic and procedural safeguards intended to protect the confidentiality and integrity of all non-public, personal information, including but not limited to social security numbers, driver's license numbers and other personally identifiable information.

Internal Access to Information

Access to personal, non-public information is limited to those people who need the information to provide our customers with products or services. These people are expected to protect this information from inappropriate access, disclosure and modification.

Consumer Reports

In some cases, we may obtain a consumer report in connection with an application for insurance. Depending on the type of policy, a consumer report may include information about you or your business, such as:

- character, general reputation, personal characteristics, mode of living;
- credit history, driving record (including records of any operators who will be insured under the policy); and/or
- an appraisal of your dwelling or place of business that may include photos and comments on its general condition.

Access to Information

Upon written request, we will inform you if we have ordered an investigative consumer report. You have the right to make a written request within a reasonable period for information concerning the nature and scope of the report and to be interviewed as part of its preparation. You may obtain a copy of the report from the reporting agency and, under certain circumstances, you may be entitled to a copy at no cost.

You also may review certain information we have about you or your business in our files. To review information we maintain in our files about you or your business, please write to us, providing your complete name, address and policy number(s), and indicating specifically what you would like to see. If you request actual copies of your file, there may be a nominal charge.

We will tell you to whom we have disclosed the information within the two years prior to your request. If there is not a record indicating that the information was provided to another party, we will tell you to whom such information is normally disclosed.



There is information that we cannot share with you. This may include information collected in order to evaluate a claim under an insurance policy, when the possibility of a lawsuit exists. It may also include medical information that we would have to forward to a licensed medical doctor of your choosing so that it may be properly explained.

Correction of Information

If after reviewing your file you believe information is incorrect, please write to the consumer reporting agency or to us, whichever is applicable, explaining your position. The information in question will be investigated. If appropriate, corrections will be made to your file and the parties to whom the incorrect information was disclosed, if any, will be notified. However, if the investigation substantiates the information in the file, you will be notified of the reasons why the file will not be changed. If you are not satisfied with the evaluation, you have the right to place a statement in the file explaining why you believe the information is incorrect. We also will send a copy of your statement to the parties, if any, to whom we previously disclosed the information and include it in any future disclosures.

Our Commitment to Privacy

In the insurance and financial services business, lasting relationships are built upon mutual respect and trust. With that in mind, we will periodically review and revise our privacy policy and procedures to ensure that we remain compliant with all state and federal requirements. If any provision of our privacy policy is found to be non-compliant, then that provision will be modified to reflect the appropriate state or federal requirement. If any modifications are made, all remaining provisions of this privacy policy will remain in effect. For more detailed information about our customer privacy policy (including any applicable state-specific policies) and our online privacy statement, visit our Web site, located at www.hanover.com.

Further Information

If you have questions about our customer privacy policy (including any applicable state-specific policies) or our online privacy statement, or if you would like to request information we have on file, please write to us at our Privacy Office, N435, The Hanover Insurance Group, Inc., 440 Lincoln Street, Worcester, MA 01653. Please provide your complete name, address and policy number(s). A copy of our Producer Compensation Disclosure is also available upon written request addressed to the attention of the Corporate Secretary, N435, The Hanover Insurance Group, 440 Lincoln Street, Worcester, MA 01653.

Producer Compensation Disclosure

Our products are sold through independent agents and brokers, often referred to as "Producers." We may pay Producers a fixed commission for placing and renewing business with our company. We may also pay additional commission and other forms of compensation and incentives to Producers who place and maintain their business with us. Details of our Producer compensation practices may be found at www.hanover.com.

This notice is being provided on behalf of the following Hanover Companies: The Hanover Insurance Group, Inc. - Allmerica Financial Alliance Insurance Company - Allmerica Financial Benefit Insurance Company - Allmerica Plus Insurance Agency, Inc. - Citizens Insurance Company of America - Citizens Insurance Company of Illinois - Citizens Insurance Company of the Midwest - Citizens Insurance Company of Ohio - Citizens Management, Inc. - AIX Ins. Services of California, Inc. - Campania Insurance Agency Co. Inc. - Campmed Casualty & Indemnity Co. Inc. - Chaucer Syndicates Limited- Educators Insurance Agency, Inc.- Hanover Specialty Insurance Brokers, Inc. - The Hanover American Insurance Company - The Hanover Insurance Company - The Hanover New Jersey Insurance Company - The Hanover National Insurance Company - Hanover Lloyd's Insurance Company - Massachusetts Bay Insurance Company - Opus Investment Management, Inc. - Professionals Direct Insurance Services, Inc. -Professional Underwriters Agency, Inc.- Verlan Fire Insurance Company - Nova Casualty Company - AIX Specialty Insurance Company.

THIS NOTICE IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT, AS AMENDED. THIS NOTICE DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THIS POLICY. IF THERE IS A CONFLICT BETWEEN THIS NOTICE AND THE POLICY, THE PROVISIONS OF THE POLICY SHALL APPLY.

NOTICE – REJECTION OF TERRORISM COVERAGE AND DISCLOSURE OF PREMIUM

Schedule

REJECTION STATEMENT

You have rejected the offer of terrorism coverage. You understand that an **exclusion** for certain terrorism losses will be made part of your policy.

Disclosure of Premium:

Total Terrorism Premium	\$ N/A
Fire Following Premium	\$ N/A
Other than Fire Following Premium	\$ N/A

You have rejected coverage for “acts of terrorism,” as defined in Section 102(1) of the Terrorism Risk Insurance Act (“Act”) and an exclusion will be included in your policy. You are hereby notified that under the Act, as amended in 2015, the definition of “act of terrorism” is:

Any act or acts that are certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States’ government by coercion.

Note for Commercial Property or Commercial Inland Marine Policyholders in Standard Fire States:

In your state, a terrorism exclusion makes an exception for (and thereby provides coverage for) fire losses resulting from an act of terrorism. Therefore, if you reject the offer of terrorism coverage, that rejection does not apply to fire losses resulting from an act of terrorism. Coverage for such fire losses will be provided in your policy. The additional premium just for such fire coverage is described as Fire Following Premium in the Schedule above.

Disclosure of Federal Participation in Payment of Terrorism Losses

The United States government through the Department of the Treasury may pay a share of terrorism losses insured under the federal program under a formula set forth in the Act. Under this formula, the United States government generally reimburses the following percentage of covered terrorism loss which exceeds the statutorily established deductible paid by the insurance company providing the coverage: 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019; and 80% beginning on January 1, 2020.

Cap on Insurer Participation in Payment of Terrorism Losses

The Act contains a \$100 billion cap that limits the reimbursement by the United States government as well as insurers’ liability for losses resulting from certified acts of terrorism. If the aggregate of insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Act, we will not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion. In such case, insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

THIS NOTICE IS PROVIDED IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS NOTICE DOES NOT GRANT COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF COVERAGE UNDER THE POLICY. IF THERE IS A CONFLICT BETWEEN THIS NOTICE AND THE POLICY, THE PROVISIONS OF THE POLICY SHALL APPLY.

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

Schedule

Disclosure of Premium:	
Total Terrorism Premium	\$ 228
Fire Following Premium	\$ 0
Other than Fire Following Premium	\$ 228

Disclosure of Terrorism Coverage Available

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from "acts of terrorism" defined in Section 102(1) of the Act as follows:

Any act or acts that are certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States government by coercion.

The premium charged for this coverage is provided in the Schedule above and does not include any charges for the portion of loss that may be covered by the Federal Government as described below.

Your policy may contain other exclusions which could affect your coverage, such as an exclusion for Nuclear Events or Pollution. **Please read your policy carefully.**

Note for Commercial Property or Commercial Inland Marine Policyholders in Standard Fire States:

In your state, a terrorism exclusion makes an exception for (and therefore provides coverage for) fire losses resulting from an act of terrorism. If you reject the offer of terrorism coverage, therefore, that rejection does not apply to fire losses resulting from an act of terrorism. Coverage for such fire losses will be provided in your policy. The additional premium just for such fire coverage is shown in the Schedule above.

Disclosure of Federal Participation in Payment of Terrorism Losses

The United States government through the Department of the Treasury may pay a share of terrorism losses insured under the federal program under a formula set forth in the Act. Under this formula, the United States government generally reimburses the following percentage of covered terrorism loss which exceeds the statutorily established deductible paid by the insurance company providing the coverage: 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019; and 80% beginning on January 1, 2020.

Cap on Insurer Participation in Payment of Terrorism Losses

The Act contains a \$100 billion cap that limits the reimbursement by the United States government as well as insurers' liability for losses resulting from certified acts of terrorism. If the aggregate of insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Act, we will not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion. In such case, insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

Rejection of Terrorism Insurance Coverage

☐ I decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.

Applicant/Policyholder Signature

Print Name

Date

Citizens Insurance Company Of America

Insurance Company

Z7W D003305 00

Quote or Policy Number

COMMERCIAL PROPERTY
411-0567 07 06

EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA ADVISORY NOTICE TO POLICYHOLDERS

This Notice does not form a part of your insurance contract. No coverage is provided by this Notice, nor can it be construed to replace any provisions of your policy (including its endorsements). If there is any conflict between this Notice and the policy (including its endorsements), the provisions of the policy (including its endorsements) shall prevail.

Carefully read your policy, including the endorsements attached to your policy.

This Notice provides information concerning the following new endorsement, which applies to your new or renewal policy being issued by us:

Exclusion Of Loss Due To Virus Or Bacteria Endorsement CP 01 40 07 06

This endorsement makes an explicit statement regarding a risk that is not covered under your Commercial Property insurance. It points out that there is no coverage under such insurance for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease. The exclusion in this endorsement applies to all coverages provided by your Commercial Property insurance, including (if any) property damage and business income coverages.



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THE KNIGHT INSURANCE

Locations of All Premises You Own, Rent or Occupy

Location: 1

29180 Glenwood Rd
Perrysburg OH
43551

Forms Applicable to all Coverage Parts:

<u>Form Number</u>	<u>Edition Date</u>	<u>Description</u>
401-1126	01/15	Notice - Rejection Of Terrorism Coverage and Disclosure of Premium
401-1374	01/15	Offer Disclosure Pursuant To Terrorism Risk Insurance Act
IL 00 03	09/08	Calculation of Premium
IL 00 17	11/98	Common Policy Conditions
IL 00 21	09/08	Nuclear Energy Liability Exclusion Endorsement
IL 02 44	09/07	Ohio Changes- Cancellation and Nonrenewal
IL 09 35	07/02	Exclusion of Certain Computer-Related Losses
IL 09 53	01/15	Exclusion of Certified Acts of Terrorism
IL 70 03	04/87	Cancellation Refund
SIG 11 00	08/14	Signature Page

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THE KNIGHT INSURANCE

Commercial Property Coverage Part Declaration**Total Property Premium****\$25,068.00**

Coverages Provided:

Insurance at the Described Premises applies only for the coverage shown below:

LOC **BLDG**

1 1

Occupancy: Offices - Non-governmental-Office**Territory:** 870**Construction:** Frame**Protection Class:** 5**LOC** **BLDG**

1 1

Coverage: **Cause of Loss:** **Premiums:**

Building Special \$117.00

Limit Of Insurance: \$185,106.00

Actual Cash Value

Coinsurance: 100%

Agreed Value Agreed Expiration: 07/10/2016

LOC **BLDG**

1 1

Coverage: **Cause of Loss:** **Premiums:**

Contents All Inclusive Special \$46.00

Limit Of Insurance: \$50,000.00

Replacement Cost

Coinsurance 100%

Agreed Value Agreed Expiration: 07/10/2017

LOC **BLDG**

1 1

Coverage: **Cause of Loss:** **Premiums:**

Business Income Special \$69.00

Limit Of Insurance: \$50,000.00

Coinsurance 50%

Extended Period of Indemnity 60 Days Included

Business Income Time Deductible 72 Hours

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THE KNIGHT INSURANCE

Commercial Property Coverage Part Declaration

Agreed Value

Agreed Expiration: 07/10/2017

<u>LOC</u>	<u>BLDG</u>	<u>DED BY LOC</u>	<u>APPLICABLE DEDUCTIBLE</u>	
1	1		Windstorm/Hail Deductible	\$75,000.00
			Theft Deductible:	\$75,000.00
			Other Deductible:	\$75,000.00

<u>LOC</u>	<u>BLDG</u>		
1	2	Occupancy:	Contractors NOC - equipment storage
		Territory:	870
		Construction:	Joisted Masonry
		Protection Class:	5

<u>LOC</u>	<u>BLDG</u>	<u>Coverage:</u>	<u>Cause of Loss:</u>	<u>Premiums:</u>
1	2	Building	Special	\$10,610.00
		Limit Of Insurance:	\$7,577,992.00	
		Actual Cash Value		
		Coinsurance:	100%	
		Agreed Value	Agreed Expiration: 07/10/2017	

<u>LOC</u>	<u>BLDG</u>	<u>Coverage:</u>	<u>Cause of Loss:</u>	<u>Premiums:</u>
1	2	Business Income	Special	\$333.00
		Limit Of Insurance:	\$125,000.00	
		Coinsurance	50%	
		Extended Period of Indemnity	60 Days Included	
		Business Income Time Deductible	72 Hours	
		Agreed Value	Agreed Expiration: 07/10/2017	

<u>LOC</u>	<u>BLDG</u>	<u>DED BY LOC</u>	<u>APPLICABLE DEDUCTIBLE</u>	
1	2		Windstorm/Hail Deductible	\$75,000.00
			Theft Deductible:	\$75,000.00

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THE KNIGHT INSURANCE

Other Deductible:	\$75,000.00
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1 3

Protection Class: 5

1 3

Agreed Value

1 3

Agreed Value

APPLICABLE DEDUCTIBLE

1 3

Other Deductible: \$75,000.00

1 4

Territory: 870

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THE KNIGHT INSURANCE

Commercial Property Coverage Part Declaration**Construction:** Noncombustible**Protection Class:** 5

<u>LOC</u>	<u>BLDG</u>	<u>Coverage:</u>	<u>Cause of Loss:</u>	<u>Premiums:</u>
1	4	Building	Special	\$235.00
		Limit Of Insurance:	\$313,845.00	
		Actual Cash Value		

Coinsurance: 100%**Agreed Value** Agreed Expiration: 07/10/2017

<u>LOC</u>	<u>BLDG</u>	<u>Coverage:</u>	<u>Cause of Loss:</u>	<u>Premiums:</u>
1	4	Contents All Inclusive	Special	\$98.00
		Limit Of Insurance:	\$50,000.00	
		Replacement Cost		
		Coinsurance	100%	
		Agreed Value	Agreed Expiration: 07/10/2017	

<u>LOC</u>	<u>BLDG</u>	<u>DED BY LOC</u>	<u>APPLICABLE DEDUCTIBLE</u>	
1	4		Windstorm/Hail Deductible	\$75,000.00
			Theft Deductible:	\$75,000.00
			Other Deductible:	\$75,000.00

Additional Premium for Property Minimum :

N/A

Miscellaneous/Optional Property Coverages:

	<u>PREMIUM</u>
Boiler / Machinery / Equipment Breakdown	\$2,474.00
Emergency Event Management Coverage	\$19.00
Silver Property Broadening Endorsement	\$200.00
Real Estate Property Broadening Endorsement	\$100.00



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THE KNIGHT INSURANCE

Forms Applicable to Property Coverage Parts:

<u>Form Number</u>	<u>Edition Date</u>	<u>Description</u>
411-0610	04/14	Emergency Event Management
411-0792	04/14	Silver Property Broadening Endorsement
411-0800	04/14	Real Estate Property Broadening Endorsement
451-0038	11/04	Equipment Breakdown Coverage
CP 00 10	10/12	Building and Personal Property Coverage Form
CP 00 30	10/12	Business Income (And Extra Expense) Coverage Form
CP 00 90	07/88	Commercial Property Conditions
CP 01 23	04/08	Ohio Changes
CP 01 40	07/06	Exclusion of Loss Due to Virus or Bacteria
CP 04 11	10/12	Protective Safeguards
CP 10 30	10/12	Cause of Loss - Special Form



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THE KNIGHT INSURANCE

Property Schedule of Additional Interest

Location: 1 Building: 1

1st Mortgagee
BC46, LLC ATIMA
280 NORTH OLD WOODWARD AVE
SUITE 104
BIRMINGHAM MI 48009

Location: 1 Building: 3

1st Mortgagee
BC46, LLC ATIMA
280 NORTH OLD WOODWARD AVE
SUITE 104
BIRMINGHAM MI 48009

Location: 1 Building: 2

1st Mortgagee
BC46, LLC ATIMA
280 NORTH OLD WOODWARD AVE
SUITE 104
BIRMINGHAM MI 48009

Location: 1 Building: 4

1st Mortgagee
BC46, LLC ATIMA
280 NORTH OLD WOODWARD AVE
SUITE 104
BIRMINGHAM MI 48009



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CENTER LLC

Z7W D003305 00

THE KNIGHT INSURANCE

Commercial General Liability Coverage Part Declaration

Audit Frequency: Not Auditable

Limits of Insurance:

General Aggregate Limit	\$2,000,000
Products-Completed Operations are Included in the General Aggregate Limit	
Each Occurrence Limit	\$1,000,000
Personal and Advertising Injury Limit	\$1,000,000
Damage to Premises Rented to You Limit	\$100,000
Medical Expense Limit, Any One Person	\$5,000
General Liability Deductible:	
Total Advance Commercial General Liability Premium	\$7,334.00

THIS POLICY CONTAINS AGGREGATE LIMITS; REFER TO SECTION III - LIMITS OF INSURANCE FOR DETAILS

Forms Applicable to General Liability Coverage Parts:

<u>Form Number</u>	<u>Edition Date</u>	<u>Description</u>
421-0022	12/90	Asbestos Liability Exclusion
421-0037	06/95	Lead Poisoning Liability Exclusion
421-2915	06/15	Commercial General Liability Broadening Endorsement
421-2924	12/14	Commercial General Liability Enhancement Endorsement - Real Estate
CG 00 01	04/13	Commercial General Liability Coverage Form - Occurrence
CG 21 06	05/14	Exclusion - Access or Disclosure of Confidential or Personal Information and Data-Related Liability - With Limited Bodily Injury Exception
CG 21 47	12/07	Employment - Related Practices Exclusion
CG 21 49	09/99	Total Pollution Exclusion Endorsement
CG 21 67	12/04	Fungi or Bacteria Exclusion
CG 21 73	01/15	Exclusion of Certified Acts of Terrorism
CG 21 96	03/05	Silica or Silica-Related Dust Exclusion



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THE KNIGHT INSURANCE

Commercial General Liability Classification Schedule Declaration

<u>LOC</u>	<u>ST</u>	<u>TERR</u>	<u>CODE</u>	<u>SUBLINE</u>	<u>PREMIUM BASIS</u>	<u>PER</u> 1000 of Total Area	<u>RATE</u>	<u>ADVANCE PREMIUM</u>
1	OH	509	61217	334	800000 Area		8.757	\$7,006.00

Products – Completed Operations are Included in the General Aggregate Limit

Buildings or Premises bank or office mercantile or manufacturing lessor

<u>LOC</u>	<u>ST</u>	<u>TERR</u>	<u>CODE</u>	<u>SUBLINE</u>	<u>PREMIUM BASIS</u>	<u>PER</u> 1000 of Total Area	<u>RATE</u>	<u>ADVANCE PREMIUM</u>
1	OH	509	61227	334	2700 Area		28.926	\$78.00

Products – Completed Operations are Included in the General Aggregate Limit

Buildings or Premises office Not-For-Profit only

Miscellaneous/Optional General Liability Coverages

Advance Premium

CGL Enhancement - Real Estate

\$250.00

Additional Premium for Coverage Minimum:

N/A

Total Advance General Liability Premium

\$7,334.00

Subline 334

Premises and Operations

THE ONLY SIGNATURES APPLICABLE TO THIS POLICY ARE THOSE REPRESENTING THE COMPANY NAMED ON THE FIRST PAGE OF THE DECLARATIONS.

In Witness Whereof, this company has caused this policy to be signed by its President and Secretary and countersigned on the declarations page, where required, by a duly authorized agent of the company.



Frederick H. Eppinger
President



Charles Frederick Cronin
Secretary

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALCULATION OF PREMIUM

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added:

The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation, or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

IL 00 21 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:
 - A. Under any Liability Coverage, to "bodily injury" or "property damage":
 - (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
 - B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.
- C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:
 - (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
 - (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
 - (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.
2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

- (c)** Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- (d)** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OHIO CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
 COMMERCIAL AUTOMOBILE COVERAGE PART
 COMMERCIAL GENERAL LIABILITY COVERAGE PART
 COMMERCIAL INLAND MARINE COVERAGE PART
 COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 CRIME AND FIDELITY COVERAGE PART
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
 EQUIPMENT BREAKDOWN COVERAGE PART
 FARM COVERAGE PART
 FARM UMBRELLA LIABILITY POLICY
 LIQUOR LIABILITY COVERAGE PART
 POLLUTION LIABILITY COVERAGE PART
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

- A. With respect to a policy which has been in effect for more than 90 days, or is a renewal of a policy we issued, the **Cancellation** Common Policy Condition is replaced by the following:
 1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
 2. We may cancel this policy only for one or more of the following reasons, except as provided in Paragraph 6. below:
 - a. Nonpayment of premium;
 - b. Discovery of fraud or material misrepresentation in the procurement of the insurance or with respect to any claims submitted thereunder;
 - c. Discovery of a moral hazard or willful or reckless acts or omissions on your part which increases any hazard insured against;
 - d. The occurrence of a change in the individual risk which substantially increases any hazard insured against after the insurance coverage has been issued or renewed except to the extent the insurer could reasonably have foreseen the change or contemplated the risk in writing the contract;
 - e. Loss of applicable reinsurance or a substantial decrease in applicable reinsurance, if the Superintendent has determined that reasonable efforts have been made to prevent the loss of, or substantial decrease in, the applicable reinsurance, or to obtain replacement coverage;
 - f. Failure of an insured to correct material violations of safety codes or to comply with reasonable written loss control recommendations; or
 - g. A determination by the Superintendent of Insurance that the continuation of the policy would create a condition that would be hazardous to the policyholders or the public.
 3. We will mail written notice of cancellation to the first Named Insured, and agent if any, at the last mailing addresses known to us. Proof of mailing will be sufficient proof of notice.
 4. We will mail the notice of cancellation at least:
 - a. 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation, if we cancel for a reason stated in 2.b. through 2.g. above.

5. The notice of cancellation will:
 - a. State the effective date of cancellation. The policy period will end on that date.
 - b. Contain the date of the notice and the policy number, and will state the reason for cancellation.
 6. Policies written for a term of more than one year or on a continuous basis may be cancelled by us for any reason at an anniversary date, upon 30 days' written notice of cancellation.
 7. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- B.** The following is added to the Common Policy Conditions and supersedes any provisions to the contrary:

NONRENEWAL

1. If we elect not to renew this policy, we will mail written notice of nonrenewal to the first Named Insured, and agent if any, at the last mailing addresses known to us. The notice will contain the date of the notice and the policy number, and will state the expiration date of the policy.
2. We will mail the notice of nonrenewal at least 30 days before the expiration date of the policy.
3. Proof of mailing will be sufficient proof of notice.

C. Common Policy Conditions

1. Paragraph **A.2.a.** of the **Businessowners** Common Policy Conditions is deleted.
2. Paragraph **E.2.** of the **Cancellation** Common Policy Condition in the Standard Property Policy is deleted. Paragraph **E.2.** is replaced by the following (unless Item **A.** of this endorsement applies):

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

 - a. 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date, if we cancel for any other reason.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
STANDARD PROPERTY POLICY

- A.** We will not pay for loss ("loss") or damage caused directly or indirectly by the following. Such loss ("loss") or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss ("loss") or damage.
1. The failure, malfunction or inadequacy of:
 - a. Any of the following, whether belonging to any insured or to others:
 - (1) Computer hardware, including microprocessors;
 - (2) Computer application software;
 - (3) Computer operating systems and related software;
 - (4) Computer networks;
 - (5) Microprocessors (computer chips) not part of any computer system; or
 - (6) Any other computerized or electronic equipment or components; or
 - b. Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **A.1.a.** of this endorsement;
- due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.
2. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **A.1.** of this endorsement.
- B.** If an excluded Cause of Loss as described in Paragraph **A.** of this endorsement results:
1. In a Covered Cause of Loss under the Crime and Fidelity Coverage Part, the Commercial Inland Marine Coverage Part or the Standard Property Policy; or
 2. Under the Commercial Property Coverage Part:
 - a. In a "Specified Cause of Loss", or in elevator collision resulting from mechanical breakdown, under the Causes of Loss – Special Form; or
 - b. In a Covered Cause of Loss under the Causes Of Loss – Basic Form or the Causes Of Loss – Broad Form;
- we will pay only for the loss ("loss") or damage caused by such "Specified Cause of Loss", elevator collision, or Covered Cause of Loss.
- C.** We will not pay for repair, replacement or modification of any items in Paragraphs **A.1.a.** and **A.1.b.** of this endorsement to correct any deficiencies or change any features.

POLICY NUMBER: Z7W D003305 00

IL 09 53 01 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
 COMMERCIAL INLAND MARINE COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 CRIME AND FIDELITY COVERAGE PART
 EQUIPMENT BREAKDOWN COVERAGE PART
 FARM COVERAGE PART
 STANDARD PROPERTY POLICY

SCHEDULE

The **Exception Covering Certain Fire Losses** (Paragraph C) applies to property located in the following state(s), if covered under the indicated Coverage Form, Coverage Part or Policy:

State(s)	Coverage Form, Coverage Part or Policy
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

- A. The following definition is added with respect to the provisions of this endorsement:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

- B. The following exclusion is added:

CERTIFIED ACT OF TERRORISM EXCLUSION

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

- C. **Exception Covering Certain Fire Losses**

The following exception to the exclusion in Paragraph B. applies only if indicated and as indicated in the Schedule of this endorsement.

If a "certified act of terrorism" results in fire, we will pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements which apply to those forms, or to the Legal Liability Coverage Form or the Leasehold Interest Coverage Form.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury

D. Application Of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANCELLATION REFUND

This endorsement modifies the following.

COMMON POLICY CONDITIONS

Under **A. CANCELLATION**, THE FOLLOWING IS ADDED TO 5.

"The refund shall be rounded to the nearest whole dollar. A refund of fifty cents (\$.50) or more shall be rounded to the next higher whole dollar."

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMERGENCY EVENT MANAGEMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
 BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
 BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM – ACTUAL LOSS SUSTAINED
 CAUSES OF LOSS – SPECIAL FORM

Other words and phrases that appear in quotation marks have special meaning. Refer to **H. Definitions**.

The Building And Personal Property Coverage Form, Business Income (and Extra Expense) Coverage Form, Business Income (and Extra Expense) Coverage Form – Actual Loss Sustained, and the Causes Of Loss – Special Form are amended by the addition of the Scheduled Coverages listed below. Unless otherwise noted, each Limit of Insurance shown in the Schedule is the most we will pay for the total applicable covered loss or damage resulting from a “covered emergency” regardless of the number of “covered locations” involved. The provisions of the Building and Personal Property Coverage Form, Business Income (and Extra Expense) Coverage Form, Business Income (and Extra Expense) Coverage Form Actual Loss Sustained, and the Causes of Loss – Special Form apply to the Scheduled Coverages unless specifically amended by this endorsement. If any loss or damage covered under this endorsement is also covered under any other provisions of this policy, or if more than one coverage under this endorsement applies to a specific type of loss or damage sustained, you may choose only one of the applicable coverages to apply to that loss. The most we will pay in such case is the Limit of Insurance applicable to the coverage you chose.

Schedule of Coverages

Coverage	Limit of Insurance
A. Emergency Event Communication Expense	10,000
B. Emergency Event Business Income and Extra Expense	10,000
C. Post Emergency Event Expense - Per Person Limit	10,000
- Aggregate Limit	10,000

Coverage	Waiting Period
Emergency Event Communication Expense	None
Emergency Event Business Income	Follows the waiting period in the BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM or BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM – ACTUAL LOSS SUSTAINED
Emergency Event Extra Expense	None
Post Emergency Event Expense	None

A. “Emergency Event Communication Expense”

For the purpose of coverage under this endorsement only, the following is added to **A. Coverage**, Paragraph 4. **Additional Coverages** of the Building and Personal Property Coverage Form CP 00 10:

“Emergency Event Communication Expense”

We will pay necessary “emergency event communication expense” incurred by you resulting from a “covered emergency” at a “covered

location” for the sixty (60) consecutive days after a “covered emergency”.

This Additional Coverage does not apply to:

- (1) Any costs related to communications, advice or strategy development, that address continuing publicity or image concerns for periods occurring beyond the sixty (60) consecutive day period after a “covered emergency”, or
- (2) Communication-related expense dealing with mitigating negative publicity or restoring your

enterprise's image at any location other than the "covered location" at which the "covered emergency" occurred.

B. Emergency Event Business Income and Extra Expense – Optional Coverage

For the purpose of coverage under this endorsement only, when the Business Income (and Extra Expense) Coverage Form CP 00 30, or the Business Income (and Extra Expense) Coverage Form – Actual Loss Sustained 411-0581 is made a part of this policy, the following replaces all provisions of the Business Income (and Extra Expense) Coverage Form CP 00 30 or the Business Income (and Extra Expense) Coverage Form – Actual Loss Sustained 411-0581.

1. "Emergency Event Business Income" and Extended "Emergency Event Business Income" Coverage

a. "Emergency Event Business Income"

Subject to the Waiting Period shown in the Schedule of this endorsement, we will pay the actual loss of "emergency event business income" you sustain due to the necessary "suspension" of your "operations" during the "emergency event period of restoration". The "suspension" must be caused by or result from a "covered emergency" at your "covered location".

b. Extended "Emergency Event Business Income"

If the necessary "suspension" of your "operations" caused by or resulting from a "covered emergency" produces an "emergency event business income" loss payable under this endorsement, we will also pay the actual loss of "emergency event business income" you incur during the period that:

- (1) Begins on the date "operations" are resumed, or the date the "covered location" can be re-occupied by a tenant; and
- (2) Ends on the earlier of:
 - (a) The date you could reasonably restore your "operations" to a level which would generate the business income that would have existed had no "covered emergency" occurred; or
 - (b) The date you could reasonably have the "covered location" re-occupied by a tenant to a level that would generate the rental income which would have existed

if the "covered emergency" had not occurred; or

- (c) Thirty (30) consecutive days after the date determined in b. (1) above.

c. Additional Conditions and Limitations – "Emergency Event Business Income" and Extended "Emergency Event Business Income"

- (1) When alternative locations, whether or not owned by you, could have been used to mitigate any "Emergency Event Business Income" loss or Extended "Emergency Event Business Income" loss but were not, we will not pay more than what the calculable loss would have been had these other locations been used to mitigate the loss.
- (2) In the event that your coverage for loss of "Emergency Event Business Income" ends because it extends beyond the sixty (60) consecutive days provided after the "covered emergency", your coverage for Extended "Emergency Event Business Income" loss will commence only when and if you actually resume "operations" (or tenancy is re-established). When "operations" do not resume upon expiration of the sixty (60) consecutive day period, an interruption in your coverage for Business Income will occur between:
 - (a) The end of your "Emergency Event Business Income" coverage; and
 - (b) The start of your Extended "Emergency Event Business Income" coverage.
- (3) "Emergency Event Business Income" and Extended "Emergency Event Business Income" do not apply to loss of Business Income or loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the "covered emergency" in the area where the "covered locations" are located.

d. Loss Determination - Business Income and Extended Business Income

The amount of "emergency event business income" loss will be determined based on:

- (1) The Net Income of the business at the "covered location" before the "covered emergency" occurred;
- (2) The likely Net Income of the business at the "covered location" if no "covered emergency" occurred, but not including:
 - (a) Net Income earned due to increased sales or similar activity at other "covered locations" caused by the disruption of "operations" at the "covered location" where the "covered emergency" occurred; or
 - (b) Net Income that would have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the "covered emergency" on customers or other businesses; or
 - (c) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the "covered emergency"; and
- (3) Other relevant sources of information, including but not limited to:
 - (a) Your financial records and account procedures;
 - (b) Bills, invoices and other vouchers; and
 - (c) Deeds, liens or contracts.

2. "Emergency Event Extra Expense"

For the purpose of coverage under this endorsement only, when the Business Income (and Extra Expense) Coverage Form CP 00 30 or the Business Income (and Extra Expense) Coverage Form – Actual Loss Sustained 411-0581 is a part of this policy, the following applies:

- a. We will pay reasonable and necessary "emergency event extra expense" caused by or resulting from a "covered emergency" at the "covered location" during the "emergency event period of restoration" to:
 - (1) Avoid or minimize the "suspension" of your business and to continue "operations" at the "covered location" or at temporary or replacement location(s). This includes but is not limited to temporary additional security, relocation expenses and

additional costs to equip and operate the temporary or replacement location; or

- (2) Minimize the "suspension" of business if you cannot continue your "operations".
- b. This coverage ends the earlier of:
 - (1) The date your "operations" are restored to a similar condition that would have existed had the "covered emergency" not occurred; or
 - (2) Sixty (60) consecutive days after the "covered emergency" event occurs.
- c. "Emergency Event Extra Expense" does not include:
 - (1) ransom, extortion or other type of funds paid directly or indirectly to actual or alleged perpetrators causing, or threatening to cause, a "covered emergency"; or
 - (2) any reward funds.

3. Resumption of Operations – We will reduce the amount of:

- a. "Emergency event business income" to the extent you can resume your "operations", in whole or in part, at the affected "covered location" or elsewhere; and
- b. "Emergency event extra expense" loss to the extent you can return "operations" to normal and discontinue such "emergency event extra expense".

If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

C. "Post Emergency Event Expense"

- 1. We will pay an "invitee's" "post emergency event expense" for sixty (60) consecutive days after the "covered emergency", subject to the Post Emergency Event – Per Person Limit of Insurance shown in the Schedule above.
- 2. Coverage is extended only to those "invitees" present at the affected "covered location" when the "covered emergency" occurred and whose treatment or expense arises directly from the trauma suffered from the "covered emergency".
- 3. The aggregate limit shown in the Schedule above is the most we will pay for the sum of all "post emergency event expense" in any policy period.

D. Exclusions**1. Deleted Exclusions - Emergency Event Management Coverage Endorsement**

For the purpose of coverage under this endorsement only, the following exclusions under the Causes of Loss – Special Form CP 10 30 are deleted:

- a. B.1.h. “Fungus”, Wet Rot, Dry Rot and Bacteria;
- b. B.2.h. Dishonest or Criminal Acts;
- c. B.3.b. Acts or Decisions; and
- d. B.3.c. (1) – (4) Faulty, Inadequate or Defective actions, activities or materials.

2. Additional Exclusions - Emergency Event Management Coverage Endorsement

- a. For the purpose of coverage under this endorsement only, the following exclusions are added to **B. Exclusions**, Paragraph 1., Causes of Loss – Special Form CP 10 30:

We will not pay for loss or damage caused directly or indirectly by any of the following, regardless of any other cause or event that contributes concurrently or in any sequence to the loss:

- (1) Windstorm or hail;
- (2) Dishonest or criminal act by you, any of your partners, directors, officers or trustees whether:
 - (a) Acting alone or in collusion with each other or with any other party; or
 - (b) Whether or not occurring in the course and scope of employment, during the hours of employment or during your normal hours of operation.

- b. For the purpose of coverage under this endorsement only, the following exclusions are added to **B. Exclusions** of Causes of Loss – Special Form CP 10 30:

We will not pay for:

- (1) Any legal fees or costs, including but not limited to defense costs related to a claim or suit by a third party for bodily injury or property damage;
- (2) The cost to decontaminate, clean, repair, remediate, maintain or replace Covered Property;
- (3) Costs or expenses incurred by any person(s) who directly or indirectly instigated, threatened, funded,

perpetrated, participated, supported or was otherwise involved in the activities leading to the “covered emergency”; or

- (4) Any cost or expense reimbursable by a state or federal agency, or under workers compensation or similar laws.

- E. For the purpose of coverage under this endorsement only, **D. Deductible**, of the Building and Personal Property Coverage Form CP 00 10 does not apply.

F. Loss Conditions

- 1. For the purpose of coverage under this endorsement only, **E. Loss Conditions**, Paragraph 3. **Duties in The Event Of Loss Or Damage** of the Building and Personal Property Coverage Form CP 00 10 and **C. Loss Conditions**, Paragraph 2. **Duties in the Event of Loss** of the Business Income (and Extra Expense) Coverage Form CP 00 30 or Business Income (and Extra Expense) – Actual Loss Sustained 411-0581 are replaced by the following:

Duties In The Event Of Loss

- a. In the event of a “covered emergency” you must:

- (1) Notify law enforcement if a law may have been broken.
- (2) Give us notice of any “covered emergency” or event that is likely to lead to a “covered emergency” within forty-eight (48) hours of the time you, or any of your partners, directors, officers, trustees or employees with management or supervisory authority, first become aware of it.

Such notice must include, but is not limited to:

- (a) Specifics as to when, where and how the “covered emergency” occurred or is occurring;
- (b) The name, address and any other pertinent information pertaining to any injured persons including the cause, nature, location and extent of their injuries;
- (c) The name, address and any other pertinent information pertaining to:
 - (i) witnesses to the event, its origins or injuries to any person;
 - (ii) emergency responders; and
 - (iii) potential or known perpetrators;

- (d) Response activities undertaken by you or others to address the consequences of the "covered emergency"; and
 - (e) The nature and location of any physical damage to the "covered location" arising out of the "covered emergency" and the current repair status of such damage.
- (3) Take all reasonable steps to protect your "invitees" and the Covered Property at the "covered location" from further injury or damage, and keep a record of your expenses necessary to do so for consideration in the settlement of the claim. These actions do not guarantee such expenses will be covered nor will they increase the Limit of Insurance. In addition, we will not pay for any subsequent injury, loss or damage resulting from other than a "covered emergency". Also, if feasible, preserve and set damaged property aside and in the best possible order for examination.
- (4) As often as may be reasonably required, permit us to inspect the property proving the injury, loss or damage, and examine your books and records.
- Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
- (5) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (6) Cooperate with us in the investigation or settlement of the claim.
- (7) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.
- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records.
- In the event of an examination, an insured's answers must be signed.

2. For the purpose of coverage under this endorsement only, **E. Loss Conditions**, Paragraph 4. **Loss Payment**, of the Building and Personal Property Coverage Form CP 00 10 is replaced by the following:

4. Loss Payment

We will pay for covered loss within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this endorsement and:

- a. We have reached agreement with you on the amount of loss; or
- b. An appraisal award has been made.

G. Additional Conditions

For the purpose of coverage under this endorsement only:

- 1. **F. Additional Conditions**, Paragraph 1. **Coinurance** of the Building and Personal Property Coverage Form CP 00 10 does not apply.
- 2. **D. Additional Condition, COINSURANCE** of the Business Income (and Extra Expense) Coverage Form CP 00 30 does not apply.
- 3. The following Additional Condition is added:

Other Insurance

If there is other insurance covering the same loss, we will pay only the amount of the covered loss in excess of the amount due from the other insurance, whether collectible or not. If the other insurance covers the same loss but includes a deductible, we will pay the deductible. Other insurance includes but is not limited to the insurance coverage or non-insurance services provided by an employer's Employee Assistance Plan or similar mental health service. Regardless of other insurance, we will not pay more than the applicable Limit of Insurance shown in the Schedule of this endorsement.

H. Definitions

For the purpose of coverage under this endorsement only, the following Definitions are added.

- 1. "Contaminated" or "contamination" means unfit for use by the introduction of unwholesome or undesirable elements.
- 2. "Covered Emergency" means the following:

a. Violent Acts

- (1) A violent act at your "covered location", committed with malicious intent by one or more individuals against a person(s) or entity(s), which results in physical injury or death to

such targeted person(s) or bystanders.

This does not include violent acts committed by you, or any of your partners, directors, officers or trustees.

- (2) An attempt or threat of a violent act to be committed at your "covered location", made with malicious intent by one or more individuals against a person(s) or entity(s), which is likely to result in physical injury or death to such targeted person(s) or bystander(s).

- (a) This does not include an attempt or threat of a violent act made by you, or any of your partners, directors, officers or trustees.

- (b) For coverage to apply, such attempts or threats must be credible, plausible and reported to law enforcement.

- (3) A violent act at your "covered location", committed with malicious intent by one or more individuals against any person(s) or entity(s), which results in direct physical loss or damage to your premises or the property of others at the "covered location".

This does not include a violent act committed by you, or any of your partners, directors, officers or trustees.

- (4) An attempt or threat of a violent act to be committed on your "covered location", made with malicious intent by one or more individuals against any person(s) or entity(s), which is likely to result in direct physical loss or damage to your premises or the property of others at the "covered location".

- (a) This does not include an attempt or threat of a violent act made by you, or any of your partners, directors, officers or trustees.

- (b) For coverage to apply, such attempts or threats must be credible, plausible and reported to law enforcement.

b. Premises Contamination

- (1) Necessary closure of all or part of your "covered location" due to any sudden and accidental

"contamination" or impairment of the "covered location" which results in clear, visible, identifiable, internal or external symptoms of bodily injury, illness, or death of any person(s).

- (2) This includes a "covered location" "contaminated" by "covered illness", but does not include "contamination" of the "covered location", in whole or part, by other "pollutants", "fungi" or bacteria except as provided under "covered illness".

- (3) Confirmation of both the existence of the "covered illness", and "covered location" that the "covered illness" has "contaminated" must be confirmed by a qualified expert or experts and reliable laboratory testing.

c. Contaminated Food or Beverage

- (1) Necessary closure of all or part of your "covered location" by order of the governing Board of Health because of discovery or suspicion that "contaminated" food or beverage has been served to patrons at your "covered location"; or

- (2) Necessary announcement by you or any governmental body warning the public of a health hazard at your "covered location" because "contaminated" food or beverage has been served to your patrons.

d. Specified Felonies

The following felonies, whether committed, attempted, or threatened on your "covered premises":

- (1) **Child abduction or kidnapping.** The wrongful and illegal seizure of a child under age sixteen (16) at your "covered location" by someone other than the child's biological, adoptive or foster parents or guardians.

- (2) Stalking and abduction of one or more of your employees or customers by other than a relative;

- (3) Sexual assault; or

- (4) Felonious use of a firearm, other weapon or device designed to cause significant harm or damage;

e. Other Emergency Incidents

Any one of the following events occurring at your "covered location" and not arising out of a "covered emergency":

- (1) Explosion;

- (2) Fire;
- (3) Construction accident;
- (4) Equipment failure; or
- (5) Workplace accident;

which results in injury or damage to person(s) or property, and adverse regional or national news media coverage of your business or "operations".

3. "Covered Location" means:

- a. That part of a premises you occupy which is listed as a covered location on the Declarations, including the area within 1,000 feet of that premises.
- b. If you have more than one "covered location" under section a), the term "covered location" means only the location at which the "covered emergency" occurred.
- c. If you occupy only part of the site at a "covered location", this phrase is further defined as:
 - (1) The portion of the building which you rent, lease or occupy; and
 - (2) Any area within the building or on the site at which the described premises are located, if that area services, or is used to gain access to, the described premises.

4. "Covered Illness" means only the following:

- a. bacterial microorganisms transmitted through human contact with food;
- b. hepatitis virus;
- c. legionnaire's disease; and
- d. noroviruses;

as defined by the United States Center for Disease Control.

"Covered Illness" does not include any other type of illness, bacteria, virus or disease.

5. "Emergency event business income" means:

- a. Net income (net profit or loss before income taxes) – including "rental value" - that would have been earned or incurred before the "covered emergency" at the "covered location"; and
- b. Continuing normal operating expenses incurred, including payroll, at the "covered location".

6. "Emergency event communication expense" means:

- a. Reasonable extra expense you incur, within the sixty (60) consecutive day period after the "covered emergency", due

to the use of your staff for necessary communication to your employees, shareholders, customers, government authorities, news media and other members of the public, when such expense is directly related to the "covered emergency"; and

- b. Reasonable fees and costs you incur, within the sixty (60) consecutive day period after the "covered emergency", due to the use of professional crisis management organizations necessary to assist or advise you on communications strategies to:

- (1) Mitigate negative publicity; or
- (2) Restore the image of your enterprise to pre-event levels following a "covered emergency".

7. "Emergency Event Extra Expense" means:

- a. All necessary expenses related to the "covered emergency" that exceed the normal operating expenses that would have been incurred by "operations" during the "emergency event period of restoration" if no "covered emergency" had occurred. We will deduct from the total of such expenses:

- (1) The salvage value of any property bought for temporary use during the "emergency event period of restoration", once "operations" are resumed; and
- (2) Any Extra Expense that is paid for by other insurance, except for insurance that is written, subject to the same plan, terms, conditions and provisions as this insurance;

- b. Necessary expenses that reduce the "emergency event business income" loss that otherwise would have not been incurred.

8. "Emergency event period of restoration" means the period of time that:

a. Begins:

- (1) For **Business Income** - After the Waiting Period shown in the schedule of this endorsement following the date of the "covered emergency"; and
- (2) For **Extra Expense** – On the date of the "covered emergency"; and

b. Ends:

Business Income and Extra Expense –
On the shorter of:

- (1) The date when, using reasonable speed, the "operations" at your "covered location" should be resumed or the "covered location" can be re-occupied by a tenant; or
 - (2) Sixty (60) consecutive days after the "covered emergency" occurred.
9. "Fungi" means any type or form of fungus, including but not limited to fungus, mildew, mold or resulting spores and byproducts, including mycotoxins, or allergens. However, "fungi" does not include "fungi" on food for human consumption.
10. "Invitee" means your employees, customers and others with legitimate business on your Covered Property.
11. "Operations" means:
 - a. Your business activities occurring at the "covered location"; and
 - b. Rental of your "covered location" for "rental value".
12. "Post emergency event expenses" means any of the following reasonable and necessary expenses incurred by an "invitee" at the affected "covered location" when the "covered emergency" occurred:
 - a. Medical treatment expenses;
 - b. Psychological counseling or other mental health treatment expenses;
 - c. Travel costs to and from a local provider of such medical or mental health treatment services; or
 - d. Funeral and burial expenses for those on site "invitees" who died as a result of the "covered emergency".
13. "Rental value" means Business Income that consists of:
 - a. Net income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the "covered location" as furnished and equipped by you, including fair rental value of any portion of the scheduled premises which is occupied by you; and
 - b. Continuing normal operating expenses incurred in connection with that scheduled location, including:
 - (1) Payroll; and
 - (2) The amount of charges which are legal obligation of the tenant(s) but would otherwise be your obligations.
14. "Suspension" means
 - a. The slowdown or cessation of your business activities; or
 - b. The part or all of the "covered location" that is rendered un-rentable due to the "covered emergency".

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SILVER PROPERTY BROADENING ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CAUSES OF LOSS – SPECIAL FORM
BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM – ACTUAL LOSS SUSTAINED

The following is added to **C. Limits Of Insurance** of Building and Personal Property Coverage Form CP 00 10:

The limits applicable to the Coverages included in this endorsement may either be in addition to or included within the applicable Limits of Insurance. For application of the limits, refer to each coverage within this endorsement.

Refer to **SECTION V – DEFINITIONS** of this endorsement for additional words or phrases which appear in quotation marks as they have special meanings.

I. COVERAGES

A. Scheduled Coverages

The coverages in this endorsement amend the coverage provided under the Building and Personal Property Coverage Form, Causes of Loss – Special Form, Business Income (and Extra Expense) Coverage Form and Business Income (and Extra Expense) Coverage - Actual Loss Sustained through new coverages and substitute coverage grants. These coverages are subject to the provisions applicable to this policy, except where amended within this endorsement. If any of the property covered by this endorsement is also covered under any other provisions of the policy of which this endorsement is made a part, or if more than one coverage under this endorsement applies, in the event of loss or damage, you may choose only one of these coverages to apply to that loss. The most we will pay in this case is the limit of insurance applying to the coverage you select. Coverages included in this endorsement apply either separately to each described premises or on an "occurrence" basis. Refer to each coverage within this endorsement for application of coverage.

	Limit of Insurance	Amended Limit of Insurance	Page
1. Additional Covered Property	Included	N/A	3
2. Brands & Labels	Included	N/A	4
3. Broadened Building Coverage	Included	N/A	4
4. Broadened Business Personal Property	Included	N/A	4
5. Building Limit - Inflation Guard	Included	N/A	5
6. Business Income & Extra Expense from Dependent Properties	\$100,000	\$	5
7. Catastrophe Allowance	\$25,000	N/A	6
8. Computer and Funds Transfer Fraud	\$10,000	\$	6
9. Consequential Loss to Stock	Included	N/A	6
10. Contract Penalties	\$25,000	\$	6
11. Debris Removal	\$100,000	\$	7
12. Denial of Access to Premises	Included	N/A	7
13. E-Commerce	\$5,000	\$	7
14. Electronic Data Processing Equipment	Included	N/A	8
15. Employee Theft including ERISA Compliance	\$50,000	\$	9

16. Employee Tools and Work Clothing	\$10,000	\$	11
17. Expediting Expense	\$25,000	\$	11
18. Extended Business Income	90 Days	N/A	11
19. Extended Coverage on Property – within 2000 feet	Included	N/A	11
20. Extra Expense	\$50,000	\$	11
21. Fire Protection Equipment Recharge	Included	N/A	12
22. Food Contamination including	\$10,000	\$	12
Additional Advertising Expense	\$3,000	\$	12
23. Forgery or Alteration	\$30,000	\$	12
24. Foundations & Underground Pipes	Included	N/A	13
25. International Air Shipments	\$25,000	\$	13
26. Inventory & Loss Appraisal	\$100,000	\$	14
27. Key Replacement & Lock Repair	\$15,000	\$	14
28. Lease Cancellation	\$25,000	\$	14
29. Leasehold Interest – Tenants	\$50,000	\$	15
30. Marring & Scratching	Included	N/A	15
31. Money & Securities	\$10,000	\$	15
32. Money Orders & Counterfeit Money	\$10,000	\$	16
33. Newly Acquired or Constructed Property – Building	\$1,000,000	\$	16
Newly Acquired – Business Personal Property	\$500,000	\$	16
34. Newly Acquired Locations – Business Income & Extra Expense	\$250,000	\$	17
35. Non-Owned Detached Trailers	\$25,000	\$	17
36. Ordinance or Law	\$300,000	\$	18
37. Pollutant Clean-Up and Removal	\$50,000	\$	20
38. Preservation of Property	90 Days	N/A	20
39. Preservation of Property – Expense	\$25,000	\$	20
40. Property in Transit	\$50,000	\$	21
41. Property Off Premises	\$100,000	\$	21
42. Prototypes	Included	N/A	21
43. Rewards – Arson, Theft, Vandalism	\$50,000	\$	22
44. Sales Representative Samples	\$25,000	\$	22
45. Seasonal Increase – Business Personal Property	Included	N/A	22
46. Sewer Backup	\$100,000	N/A	23
47. Soft Costs	\$10,000	\$	23
48. Temporary Relocation of Property	\$50,000	\$	23
49. Tenant Glass	\$10,000	\$	24
50. Tenant Relocation	\$25,000	\$	24
51. Theft Damage to Building	Included	N/A	24
52. Transit Business Income & Extra Expense	\$50,000	\$	25
53. Undamaged Tenants Improvements and Betterments	\$25,000	\$	25
54. Underground Water Seepage	\$25,000	N/A	26
55. Unintentional Property Reporting Errors	\$500,000	N/A	26

56. Unnamed Locations	\$100,000	\$ 26
57. Utility Services – Direct Damage	\$50,000	\$ 27
58. Utility Services – Business Income	\$50,000	\$ 27
59. Voluntary Parting	\$25,000	\$ 27
59. Water Damage, Other Liquids, Powder or Molten Material Damage	\$25,000	\$ 28
60. Windblown Debris	\$5,000	\$ 28
61. Worldwide Property Off-Premises	\$45,000	\$ 28

B. Coverages Included within the Blanket Limit of Insurance:

Blanket Limit of Insurance \$250,000

The Blanket Limit of Insurance shown above applies to all Coverages shown in **Section III. B.** of this Endorsement. At the time of loss, you may elect to apportion this Blanket Limit of Insurance to one or any combination of the Coverages shown, but under no circumstances will the aggregate apportionment be permitted to exceed the Blanket Limit of Insurance shown above. The Blanket Limit of Insurance applies per "occurrence".

	Amended Limits of Insurance	Page
1. Accounts Receivable	\$	28
2. Deferred Payments	\$	29
3. Fine Arts	\$	29
4. Fire Department Service Charge	\$	30
5. Movement of Property	\$	30
6. Outdoor Property	\$	30
7. Personal Effects & Property of Others	\$	31
8. Research and Development Documentation	\$	31
9. Valuable Papers and Records (Other Than Electronic Data)	\$	32

II. DEDUCTIBLE

We will not pay for covered loss or damage in any one "occurrence" unless the amount of loss or damage exceeds the deductible amount shown in the Declarations of this Policy. We will then pay the amount of loss or damage in excess of the Deductible, up to the Limit of Insurance for all applicable coverages listed under **SECTION I – COVERAGES**. No deductible applies to coverages where specifically designated.

III. COVERED PROPERTY

A. Scheduled Coverages

1. Additional Covered Property

- a. The following is added to **A. Coverage, Paragraph 5. Coverage Extensions** of Building and Personal Property Coverage Form CP 00 10:

Additional Covered Property

- (1) You may extend the insurance that applies to your Business Personal Property to also include "theft" or attempted "theft" of your patterns, dies, molds and forms.

- b. **C. Limitations, Paragraph 3. of Causes of Loss – Special Form CP 10 30** is replaced by the following:

3. The special limit shown for each category **a. through e.**, is the total limit for loss of or damage to all property in that category. The special limit applies to any one "occurrence" of "theft", regardless of the types or number of articles that are lost or damaged in that "occurrence". The special limits are:

- a. \$10,000 for furs, fur garments and garments trimmed in fur.
b. \$10,000 for jewelry, watches, watch movements, jewels and

pearls. This limit does not apply to jewelry and watches worth \$100 or less per item.

- c. \$35,000 for precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals.
- d. \$5,000 for patterns, dies, molds and forms owned by others. This special limit does not apply to those patterns, dies, molds and forms owned by you or for which you are responsible under written contract existing before loss.
- e. \$1,000 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

These special limits are part of, not in addition to, the Limit of Insurance applicable to the Covered Property.

This limitation, C.3., does not apply to Business Income coverage or to Extra Expense coverage.

All other provisions of **C. Limitations of Causes of Loss – Special Form CP 10 30** remain unchanged.

2. Brands & Labels

The following is added to **A. Coverage, Paragraph 5. Coverage Extensions of Building and Personal Property Coverage Form CP 00 10**:

Brands & Labels

- (1) If Covered Property that has a brand or label is damaged by a Covered Cause of Loss and we elect to take all or any part of the damaged property at an agreed or appraised value, you may extend the insurance that applies to Your Business Personal Property to:

- (a) Pay expenses you incur to:
 - (i) Remove the brand or label and then re-label the damaged property to comply with any applicable law; or
 - (ii) Label or stamp the damaged property as Salvage, if doing so will not physically damage the property.
- (b) Cover any reduction in the salvage value of the damaged property as

56. a result of the removal of the brand or label.

- (2) Payment under this Extension is included within the Limit of Insurance applicable to your Business Personal Property.

3. Broadened Building Coverage

- a. The following is added to **A. Coverage, Paragraph 1. Covered Property, subparagraph a. Building of Building and Personal Property Coverage Form CP 00 10**:

(6) Foundations of machinery, tanks and their component parts including all connections which are below:

- (a) The lowest basement floor; or
- (b) The surface of the ground, if there is no basement.

(7) Your personal property in apartments or rooms furnished by you as landlord;

(8) The following property if it is located on or within 2000 feet of a covered building or structure:

- (a) Exterior lighting fixtures or poles;
- (b) Yard fixtures;
- (c) Fences; and
- (d) Retaining Walls whether or not attached to the building

(9) Signs, whether or not they are attached to covered buildings or structures;

(10) Building glass, including skylights, glass doors and windows, and their encasement frames, alarm tape, lettering and ornamentation;

(11) Your new buildings while being built on or within 2000 feet of the described premises; and

(12) Driveways, patios and walks.

- b. Under **C. Limits of Insurance of Building and Personal Property Coverage Form CP 00 10**, the \$2,500 limitation on outdoor signs is deleted.

4. Broadened Business Personal Property

- a. The following is added to **A. Coverage, Paragraph 1. Covered Property, subparagraph b. Your Business Personal Property of Building and Personal Property**

Coverage Form CP 00 10:

- (8) Property of others that is in your care, custody or control;
- (9) "Scientific & professional equipment";
- (10) Building glass you have a contractual responsibility to insure;
- (11) "Installation, tools & equipment property"; and
- (12) Patterns, molds & dies.

- b. **A. Coverage, Paragraph 1. Covered Property**, subparagraph **c. Personal Property of Others** of Building and Personal Property Coverage Form CP 00 10, is deleted.

5. Building Limit – Inflation Guard

The following is added to **C. Limits of Insurance** of Building and Personal Property Coverage Form CP 00 10:

Building Limit – Inflation Guard

We will pay either the actual cash value or the replacement cost value, based on the valuation method shown in the Declarations, of the damaged portion of the building at the time of loss, but not more than 115% of the Limit of Insurance for Building if:

- a. The amount of any loss covered by this policy exceeds the Limit of Insurance for Building stated in the Declarations for the damaged Building; and
- b. The actual repair or replacement is completed within one year of the date of loss.

6. Business Income & Extra Expense from Dependent Properties

The following is added to **A. Coverage, Paragraph 4. Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Business Income & Extra Expense from Dependent Properties

- (1) We will pay the actual loss of business income you sustain due to the necessary "suspension" of your "operations" during the "dependent property period of restoration". The "suspension" must be caused by direct physical loss of or damage to "dependent property" caused by or resulting from a Covered Cause of Loss.

- (2) We will pay the actual and necessary Extra Expense you incur due to direct physical loss of or damage to "dependent property" caused by or resulting from a Covered Cause of Loss.

- (3) Under this Additional Coverage, the definition of Extra Expense is replaced with the following:

Extra Expense means necessary expenses you incur during the "dependent property period of restoration" that you would not have incurred if there had been no direct physical loss or damage to the premises of any "dependent property" caused by or resulting from a Covered Cause of Loss:

- (a) To avoid or minimize the "suspension" of business and to continue "operations"; or
 - (b) To minimize the "suspension" of business if you cannot continue "operations".
- (4) For Business Income coverage under this Additional Coverage, the Coverage Territory for "dependent property" is expanded to all parts of the world.
 - (5) We will reduce the amount of your:
 - (a) Business income loss, other than extra expense, to the extent you can resume "operations" in whole or in part by using any other available:
 - (i) Source of materials; or
 - (ii) Outlet for your products
 - (b) Extra Expense loss to the extent you can return "operations" to normal and discontinue such extra expense.
 - (6) The most we will pay under this Additional Coverage is \$100,000 per "occurrence" regardless of the number of "dependent properties" that are involved, or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.
 - (7) The amount payable under this Additional Coverage is additional insurance.

7. Catastrophe Allowance

The following is added to **A. Coverage, Paragraph 5. Coverage Extensions** of

Building and Personal Property Coverage
Form CP 00 10:

Catastrophe Allowance

- (1) This Coverage Extension applies when the direct physical loss or damage to Covered Property is the result of an insured event for which Property Claims Service has publicly designated a catastrophe number to the event.
- (2) You may extend the insurance provided under this Coverage Form if the limits provided under **C. Limits of Insurance** of Building and Personal Property Coverage Form CP 00 10 are insufficient to compensate you for covered loss or damage you incur as a result of the insured Catastrophe event.
- (3) This Coverage Extension may not be applied to the deductible amount of this policy or any other policy. It also may not be used to cover any loss or damage that would not be covered under this policy.
- (4) The most we will pay under this Extension in any one "occurrence" is \$25,000.

The most we will pay under this Extension during each separate 12 month period of this policy is \$25,000.

8. Computer and Funds Transfer Fraud

The following is added to **A. Coverage**, Paragraph **4. Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Computer and Funds Transfer Fraud

- (1) We will pay for loss of and damage to "money", "securities" and "other property" following and directly related to the use of any computer to fraudulently cause a transfer of that property from inside the described "banking premises":
 - (a) To a person (other than a messenger) outside those banking premises; or
 - (b) To a place outside those premises.
- (2) The most we will pay for loss of "money" and "securities" resulting directly from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "money" and

"securities" from your "transfer account" is \$10,000 per "occurrence" or the Limit of Insurance shown in the Amended Limits Section of this Endorsement, regardless of the number of "fraudulent instructions" involved.

9. Consequential Loss to Stock

The following is added to **A. Coverage**, Paragraph **5. Coverage Extensions** of Building and Personal Property Coverage Form CP 00 10:

Consequential Loss to Stock

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to the reduction in value of the remaining parts of "stock" in process of manufacture that are physically undamaged but are unmarketable as a complete product because of direct physical loss or damage from a Covered Cause of Loss to other parts of covered "stock" in process of manufacture at an insured location.
- (2) Should it be determined that such "stock" retains only a salvage value, we retain the option of paying the full value of the "stock" as agreed within this policy, and taking the damaged property for salvage purposes.
- (3) Payment under this Coverage Extension is included within the applicable Limit of Insurance.

10. Contract Penalties

The following is added to **A. Coverage**, Paragraph **4. Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Contract Penalties

- (1) We will pay for contractual penalties you are required to pay due to your failure to provide your product or service according to contract terms because of direct physical loss or damage by a Covered Cause of Loss to Covered Property.
- (2) The most we will pay for all penalties in any one "occurrence" is \$25,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.
- (3) The amount payable under this Additional Coverage is additional insurance.

11. Debris Removal

- a. **A. Coverage Paragraph 4. Additional Coverages**, subparagraph a.(4) of Building and Personal Property Coverage Form CP 00 10 is replaced by the following:

(4) Debris Removal

We will pay up to an additional \$100,000 for debris removal expense, for each location, in any one "occurrence" of physical loss or damage to Covered Property, if one or both of the following circumstances apply:

- (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
- (b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

If (4)(a) and/or (4)(b) apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$100,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

- b. **A. Coverage Paragraph 4. Additional Coverages**, subparagraph a.(5) of Building and Personal Property Coverage Form CP 00 10 is deleted:

12. Denial of Access to Premises

The following is added to **A. Coverage, Paragraph 5. Additional Coverages** of Business Income (and Extra Expense) Coverage Form CP 00 30 and Business Income (and Extra Expense) Coverage Form – Actual Loss Sustained 411-0581:

Denial of Access to Premises

- (1) We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur

when ingress to or egress from the described premises is prevented, due to direct physical loss of or damage to property that is away from but within 2000 feet of the described premises, caused by or resulting from any Covered Cause of Loss covered under this policy.

- (2) The coverage for Business Income will begin 72 hours after the loss or damage to the premises that causes the denial of access and will apply for a period of up to 30 consecutive days after coverage begins.
- (3) The coverage for Extra Expense will begin immediately after the loss or damage to the premises that causes the denial of access and will end:
 - (a) 30 consecutive days after coverage begins; or
 - (b) When your Business Income coverage ends;
 whichever is earlier.

13. E-Commerce

- a. **Electronic Vandalism – Direct Damage**

(1) **A. Coverage, Paragraph 2. Property Not Covered**, subparagraph n. of Building and Personal Property Coverage Form CP 00 10 is deleted.

(2) **A. Coverage, Paragraph 4. Additional Coverages**, subparagraph f. of Building and Personal Property Coverage Form CP 00 10 is replaced by the following:

f. Electronic Vandalism – Direct Damage

We cover direct physical loss or damage to covered "computer equipment" at the described premises caused by "electronic vandalism".

- b. **Electronic Vandalism – Interruption of Computer Operations**

(1) **A. Coverage, Paragraph 4. Additional Limitation – Interruption of Computer Operations** of Business Income (and Extra Expense) Coverage Form CP 00 30 and Business Income (and Extra Expense) Coverage – Actual Loss Sustained

411-0581 is deleted.

- (2) **A. Coverage, Paragraph 5. Additional Coverages,** subparagraph d. of Business Income (and Extra Expense) Coverage Form CP 00 30, and Business Income (and Extra Expense) Coverage – Actual Loss Sustained 411-0581 is replaced by the following:

d. Electronic Vandalism – Interruption of Computer Operations

You may extend the insurance that applies to Business Income & Extra Expense to apply to a “suspension” of “operations” caused by an interruption in computer operations at the described premises due to “electronic vandalism” originating anywhere in the world.

We will only pay for loss of Business Income or Extra Expense that occurs during the “period of restoration”.

- c. The most we will pay for all loss or damage from both Electronic Vandalism – Direct Damage and Electronic Vandalism – Interruption of Computer Operations in any one “occurrence” is \$5,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.
- d. The amount payable under this Additional Coverage is additional insurance.
- e. Special E-Commerce Exclusions**

We do not cover:

- (1) Loss of proprietary use of any “electronic data” or “proprietary programs” that have been copied, scanned, or altered;
- (2) Loss of or reduction in economic or market value of any “electronic data” or “proprietary programs” that have been copied, scanned, or altered; and
- (3) Theft from your “electronic data” or “proprietary programs” of confidential information through the observation of the “electronic data” or “proprietary programs” by accessing covered “computer

equipment” without any alteration or other physical loss or damage to the records or programs. Confidential information includes, but is not limited to, customer information, processing methods, or trade secrets.

14. Electronic Data Processing Equipment

The following is added to **A. Coverage, Paragraph 4. Additional Coverages of Building and Personal Property Coverage Form CP 00 10:**

Electronic Data Processing Equipment

- (1) We will pay for direct physical loss or damage to the following Covered Property which is your property or property in your care, custody or control:
 - (a) “Computer equipment”; and
 - (b) Programming documentation and instruction manuals.
- (2) We will also cover the necessary extra expenses you incur to avoid or minimize the suspension of business and to continue “operations” because of direct physical loss or damage to covered property.
- (3) The following Exclusions do not apply to this Additional Coverage:
 - (a) Earth Movement; and
 - (b) Water.
- (4) We will not pay for any loss to the following property:
 - (a) Property you rent, loan or lease to others while it is away from the described premises; or
 - (b) Property you hold for sale, distribute or manufacture.
- (5) Payment under this Additional Coverage is included within the Limit of Insurance applicable to your Business Personal Property.
- (6) **Special Electronic Data Processing Equipment Exclusions**
We do not cover:
 - (a) Any extra expense caused by an error or omission in programming or incorrect instructions to “hardware”;
 - (b) Direct physical loss to covered property caused by:
 - (i) “Electrical disturbance”;

location described in the declarations, we will pay for the reasonable and necessary extra expense you incur to continue as nearly as possible your normal business operations following the covered loss or damage.

- (2) The most we will pay for loss under this Additional Coverage in any one "occurrence" is \$50,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.
- (3) The amount payable under this Additional Coverage is additional insurance.
- (4) No deductible applies to this coverage.

21. Fire Protection Equipment Recharge

The following is added to **A. Coverage**, Paragraph 4. **Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Fire Protection Equipment Recharge

- (1) We will pay expenses you incur to recharge or refill your fire protection equipment due to the leakage or discharge:
 - (a) To prevent or control loss;
 - (b) Accidentally; or
 - (c) As a result of malfunction of the equipment.
- (2) The Deductible does not apply to this Additional Coverage. Payment under this Additional Coverage is included within the applicable Limit of Insurance.

22. Food Contamination

The following is added to **A. Coverage**, Paragraph 5. **Coverage Extensions** of Building and Personal Property Coverage Form CP 00 10:

Food Contamination

- (1) If your business at the described premises is ordered closed by the Board of Health or any other governmental authority as a result of the discovery of "food contamination", we will pay:
 - (a) Your expense to clean your equipment as required by the Board of Health or any other governmental authority;
 - (b) Your cost to replace the food which is, or is suspected to be contaminated;

(c) Your expense to provide necessary medical tests or vaccinations for your infected "employees". However, we will not pay for any expense that is otherwise covered under a Workers' Compensation Policy;

(d) The loss of Business Income you sustain due to the necessary "suspension" of your "operations". The coverage for Business Income will begin 24 hours after you receive notice of closing from the Board of Health or any other governmental authority; and

(e) Additional Advertising expenses you incur to restore your reputation.

- (2) The most we will pay for all loss under Paragraphs (1)(a) through (1)(d), including Business Income is \$10,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

The most we will pay for all loss under Paragraph (1)(e) is \$3,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

(3) Special Food Contamination Exclusion

We will not pay any fines or penalties levied against you by the Board of Health or any other governmental authority as a result of the discovery of food contamination at the described premises.

23. Forgery or Alteration

The following is added to **A. Coverage**, Paragraph 4. **Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Forgery or Alteration

- (1) We will pay for loss resulting directly from "forgery" or alteration of checks, credit cards, debit cards, charge cards, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that are:
 - (a) Made or drawn by or drawn upon you; or
 - (b) Made or drawn by one acting as your agent;
 or that are purported to have been

made or drawn.

- (2) If you are sued for refusing to pay any instrument covered in paragraph (1) above, on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense.
- (3) Under this Additional Coverage, any loss:
- (a) Caused by any one or more persons; or
 - (b) Involving a single act or series of related acts;
- is considered one "occurrence" regardless of the number of checks, credit cards, debit cards, charge cards, drafts, promissory notes, or similar written promises, orders or directions involved.

(4) Special "Forgery" or Alteration Exclusion

This Additional Coverage does not apply to:

Loss arising from any credit, debit or charge card if you have not complied fully with the provisions, conditions or other terms under which the card was issued.

- (5) The most we will pay for loss, including legal expenses, resulting directly from an "occurrence" under this Additional Coverage is \$30,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement, but not more than \$1,000 for any loss arising from any credit, debit or charge card forgery or "Alteration". Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year. The Deductible does not apply to this Additional Coverage.
- (6) The amount payable under this Additional Coverage is additional insurance.

24. Foundations & Underground Pipes

- a. The following is added to **A. Coverage, Paragraph 5. Coverage Extensions** of Building and Personal Property Coverage Form CP 00 10:

Foundations & Underground Pipes

- (1) You may extend the insurance that applies to Building to apply to loss or damage to:
- (a) Foundations of buildings, structures, machinery or boilers if their foundations are below:
 - (i) The lowest basement floor; or
 - (ii) The surface of the ground, if there is no basement;
 - (b) Underground pipes, flues and drains; and
 - (c) The cost of excavating, grading, backfilling or filling when such loss or damage is caused by a Covered Cause of Loss.
- (2) The most we will pay for loss under this Coverage Extension is the applicable building Limit of Insurance.
- (3) Payment under this Addition Coverage is included within the applicable Limit of Insurance.

- b. **A. Coverage, Paragraph 2. Property Not Covered**, subparagraphs **f.**, **g.**, and **m.** of Building and Personal Property Coverage Form CP 00 10, do not apply to this coverage.

25. International Air Shipments

The following is added to **A. Coverage, Paragraph 5. Coverage Extensions** of Building and Personal Property Coverage Form CP 00 10:

International Air Shipments

- (1) You may extend the insurance that applies to your Business Personal Property and Personal Property of Others that we ship to apply to that property; while being shipped by air:
- (a) Anywhere within the Coverage Territory to or from a location outside of the coverage territory; or
 - (b) Between locations outside of the coverage territory;
- (2) This coverage extension only applies to the shipment of your property which originates and terminates at a location specified in the air waybill.
- (3) The most we will pay for loss or

damage under this Extension in any one "occurrence" is \$25,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

(4) Special International Air Shipments Exclusion

This Extension does not apply to:

Business Personal Property if there is other insurance in force covering the same loss.

26. Inventory & Loss Appraisal

The following is added to **A. Coverage**, Paragraph **5. Coverage Extensions** of Building and Personal Property Coverage Form CP 00 10:

Inventory and Loss Appraisal

(1) We will pay all reasonable expenses you incur at our request to assist us in:

- (a) The investigation of a claim;
- (b) The determination of the amount of loss, such as taking inventory; or
- (c) The cost of preparing specific loss documents and other supporting exhibits.

(2) Expenses you incur include costs charged to you by others, including property managers, acting on your behalf to assist us with item (1) above.

(3) The Deductible does not apply to this Extension.

(4) Regardless of the number of described premises involved, the most we will pay under this Extension for loss or damage in any one "occurrence" is \$100,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

(5) Special Inventory and Loss Appraisal Exclusions

We will not pay for expenses:

- (a) Incurred to perform your duties in the event of loss under **E. Loss Conditions** of Building and Personal Property Coverage Form CP 00 10;
- (b) To prove that loss or damage is covered;
- (c) Billed by and payable to independent or public adjusters, attorneys or any of their affiliated

or associated entities;

(d) To prepare claims not covered by this policy; or

(e) Incurred under any Appraisal provisions within the policy.

27. Key Replacement & Lock Repair

The following is added to **A. Coverage**, Paragraph **5. Coverage Extensions** of Building and Personal Property Coverage Form CP 00 10:

Key Replacement & Lock Repair

(1) You may extend the insurance provided under this Coverage Form to cover the reasonable and necessary expense you incur due to a covered "theft" for:

- (a) Replacement of keys if they are stolen;
- (b) Lock repair; or
- (c) Rekeying, replacing or reprogramming undamaged locks to accept new keys or entry codes when the building security has been compromised.

(2) The most we will pay under this Extension is \$15,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement. The Deductible does not apply to this Extension.

28. Lease Cancellation

The following is added to **A. Coverage**, Paragraph **4. Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Lease Cancellation

(1) We will pay the actual loss of business income you sustain due to the cancellation of a lease by your tenants in a Covered Building due to untenability that is caused by direct physical loss or damage to that building from a Covered Cause of Loss.

This Additional Coverage only applies if at the time of loss the building was occupied and business was being conducted by the tenant canceling the lease or their sub-lessee; or a lease was signed but the building was not yet occupied by the tenant.

(2) We will pay for loss of business income that you sustain after

tenantability is restored and until the earlier of:

- (a) The date you lease the premises to another tenant; or
 - (b) 12 months immediately following the "period of restoration".
- (3) The amount payable under this Additional Coverage is additional insurance.
- (4) Regardless of the number of tenants canceling a lease at the described premises, the most we will pay under this Additional Coverage is \$25,000 per "occurrence" or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

(5) Special Lease Cancellation Exclusions

We will not pay for:

- (a) Lease cancelled after the "period of restoration";
- (b) Lease cancelled, suspended or allowed to lapse by you;
- (c) Return of pre-paid rent or security and other deposits made by tenants; or
- (d) Lease cancelled at the normal expiration date.

29. Leasehold Interest – Tenants

The following is added to **A. Coverage, Paragraph 4. Additional Coverages**, of Building and Personal Property Coverage Form CP 00 10:

Leasehold Interest – Tenants

- (1) We will pay for the loss of prepaid rent you sustain due to the cancellation of your written lease. The cancellation must result from direct physical loss or damage to property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.
- (2) This Additional Coverage only applies if at the time of loss you were occupying and conducting business at the described premises.
- (3) The amount payable under this Additional Coverage is additional insurance.
- (4) The most we will pay for loss in any one "occurrence" is the lesser of:
 - (a) The unused pro-rata portion of

prepaid rent based on the period of time remaining in your lease, which you have paid at the described premises where your lease was cancelled; or

- (b) \$50,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

(5) Special Leasehold Interest Exclusion

We will not pay for:

- (a) Lease cancelled, suspended or allowed to lapse by you; or
- (b) Lease cancelled at the normal expiration date.

30. Marring & Scratching

The following is added to **A. Coverage, Paragraph 5. Coverage Extensions** of Building and Personal Property Coverage Form CP 00 10:

Marring & Scratching

- (1) You may extend the insurance that applies to Business Personal Property to apply to damage caused directly by sudden and accidental marring and scratching of:
 - (a) Your "stock";
 - (b) Your printing plates; or
 - (c) Property of others that is in your care, custody or control.
- (2) This Extension does not apply to:
 - (a) Property at other than the described premises; or
 - (b) Property in transit.
- (3) Payment under this Extension is included within Limit of Insurance applicable to your Business Personal Property.

31. Money & Securities

The following is added to **A. Coverage, Paragraph 4. Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Money & Securities

- (1) We will pay for loss of "money" and "securities" while:
 - (a) Inside the described premises;
 - (b) At a "banking premises";
 - (c) Temporarily within your living quarters or the living quarters of

- any other member, volunteer; or
- (d) "employee" having use and custody of the property; or
- (e) "In transit" between (1)(a), (1)(b), or (1)(c)

that results directly from:

- (f) "theft"; or
 - (g) Disappearance or destruction.
- (2) Under this Additional Coverage, all loss:
- (a) Caused by one or more persons; or
 - (b) Involving a single act or series of related acts;

is considered one "occurrence".

- (3) You must keep records of all "money" and "securities" so we can verify the amount of any one loss or damage.
- (4) The amount payable under this Additional Coverage is additional insurance.
- (5) The most we will pay for loss in any one "occurrence" is \$10,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.
- (6) **Special Money & Securities Exclusions**

We will not pay for loss:

- (a) Resulting from accounting or arithmetic errors or omissions;
- (b) Resulting from giving or surrendering of property in any exchange or purchase; or
- (c) Of property contained in any money-operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.
- (d) Loss or damage to "money" and "securities" following and directly related to the use of any computer to fraudulently cause a transfer of that property from inside the described "banking premises":
 - (i) To a person (other than a messenger) outside those premises; or
 - (ii) To a place outside those premises.

32. Money Orders & Counterfeit Money

The following is added to **A. Coverage**, Paragraph **4. Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Money Orders & Counterfeit Money

- (1) We will pay for loss resulting directly from your having accepted in good faith, in exchange for merchandise, "money" or services:
 - (a) Money orders issued by any post office, express company or bank that are not paid upon presentation; or
 - (b) "Counterfeit money" that is acquired during the regular course of business.
- (2) The most we will pay for loss in any one "occurrence" is \$10,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.
- (3) The amount payable under this Additional Coverage is additional insurance.

33. Newly Acquired or Constructed Property

A. Coverage, Paragraph **5. Coverage Extensions**, subparagraph **a.** of Building and Personal Property Coverage Form CP 00 10 is replaced by the following:

a. Newly Acquired or Constructed Property

(1) Buildings

If this policy covers Building, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at locations, other than the described premises, intended for:
 - (i) Similar use as the building described in the Declarations; or
 - (ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$1,000,000 at each building or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

(2) Business Personal Property

(a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:

(i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions;

(ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or

The most we will pay for loss or damage under this Extension is \$500,000 at each building or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

(b) This Extension does not apply to:

(i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or

(ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) This insurance may not be used to increase your Business Personal Property Limit. It does not apply to personal property you acquire as part of your usual customary business dealings whether or not such acquisition was related to anticipated seasonal demands. Under the terms of this policy, such property is not considered newly acquired, but falls within the provisions for Business Personal Property.

(4) Period of Coverage

With respect to insurance

provided under this Coverage Extension for newly Acquired or Constructed Property, coverage will end when any of the following first occurs:

(a) This policy expires;

(b) 180 days after you acquire the property or begin construction of that part of the building that would qualify as covered property; or

(c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

34. Newly Acquired Locations – Business Income & Extra Expense

A. Coverage, Paragraph 6. Coverage Extension of Business Income (and Extra Expense) Coverage Form CP 00 30 and Business Income (and Extra Expense) Coverage Form – Actual Loss Sustained 411-0581, **Newly Acquired Locations** is replaced by the following:

Newly Acquired Locations

a. You may extend your Business Income and Extra Expense Coverages to apply to property at any location you acquire other than fairs or exhibitions.

b. The most we will pay under this Extension, for the sum of Business Income loss and Extra Expense incurred, is \$250,000 at each location or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

c. Insurance under this Extension for each newly acquired location will end when any of the following first occurs:

(1) This policy expires;

(2) 180 days expire after you acquire or begin to construct the property; or

(3) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property.

35. Non-Owned Detached Trailers

A. Coverage, Paragraph 5. Coverage Extensions, subparagraph f. Non-Owned

Detached Trailers, item (3) of Building and Personal Property Coverage Form CP 00 10 is replaced by the following:

- (3) The most we will pay for loss or damage under this Extension is \$25,000, or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

36. Ordinance or Law

The following is added to **A. Coverage**, Paragraph **4. Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Ordinance or Law

- (1) This Additional Coverage applies only to buildings which are insured on a Replacement Cost basis.

(2) Application of Coverage

This Additional Coverage applies only if both (a) and (b) below are satisfied and are then subject to the qualifications set forth in (c).

(a) The Ordinance or Law:

- (i) Regulates the construction or repair of a building or structure, or establishes zoning or land use requirements at the described premises;
- (ii) Requires the demolition of undamaged parts of a covered building or structure that is damaged or destroyed by a Covered Cause of Loss; and

(iii) Is in force at the time of loss.

But coverage under this Additional Coverage applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered under this coverage.

- (b) (i) The building sustains direct physical damage that is covered under this Policy and such damage results in enforcement of or compliance with the ordinance or law; or
- (ii) The building sustains both direct physical damage that is covered under this Policy and direct physical damage that is

not covered under this Policy, and the building damage in its entirety results in enforcement of or compliance with the ordinance or law.

- (iii) But if the building sustains both direct physical damage that is covered under this Policy and direct physical damage that is not covered under this Policy, and the damage that is not covered is the subject of the ordinance or law, then there is no coverage under this Additional Coverage.

- (c) In the situation described in (b)(ii) above, we will not pay the full amount of loss otherwise payable under the terms of coverages for Coverage for Loss to Undamaged portion of the Building, Demolition Cost Coverage or Increased Cost of Construction Coverage. Instead, we will only pay the proportion that covered direct physical damage bears to the total direct physical damage.

However, if the covered direct physical damage alone would have resulted in enforcement of the ordinance or law, then we will pay the full amount of the loss otherwise payable under the terms of Coverage for Loss or Damage to the Undamaged Portion of the Building, Demolition Cost Coverage or Increased Cost of Construction Coverage.

- (3) We will not pay under this Additional Coverage for the costs associated with the enforcement of any ordinance or law which requires an insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

(4) Coverage

(a) Loss to Undamaged Portion of the Building

With respect to the building that has sustained covered direct physical damage; we will pay for the loss in value of the undamaged portion of the building as a consequence of enforcement of an ordinance or law that

requires demolition of undamaged parts of the same building. Coverage for Loss to the Undamaged Portion of the Building is included within the Limit of Insurance shown in the Declarations as applicable to the covered building. Coverage does not increase the Limit of Insurance.

(b) Demolition Cost

With respect to the building that has sustained covered direct physical damage, we will pay the cost to demolish and clear the site of the undamaged parts of the same building, as a consequence of enforcement of an ordinance or law that requires demolition of such undamaged property.

The Coinsurance Additional Condition does not apply to Demolition Cost Coverage.

(c) Increased Cost of Construction

With respect to the building that has sustained covered direct physical damage; we will pay the increased cost to:

- (i) Repair or reconstruct damaged portions of that buildings; and/or
- (ii) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

When the increased cost is a consequence of enforcement of or compliance with the minimum requirements of the ordinance or law.

However:

This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.

We will not pay for the increased cost of construction if the building is not repaired, reconstructed or remodeled.

The Coinsurance Additional Condition does not apply to Increased Cost of Construction

Coverage.

(5) Loss Payment

- (a) The following loss payment provisions are subject to the apportionment procedure set forth in Section **m.2.(c)** of this Additional Coverage.

- (b) When there is a loss in value of an undamaged portion of the building to which Coverage for Loss to the Undamaged Portion of the building applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:

- (i) If the property is repaired or replaced on the same premises, we will not pay more than the lesser of:

- 1) The amount you actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or

- 2) The Limit of Insurance shown in the Declarations as applicable to the covered building.

- (ii) If the property is not repaired or replaced, we will not pay more than the lesser of:

- 1) The actual cash value of the building; or

- 2) The Limit of Insurance shown in the Declarations as applicable to the covered building.

- (c) The most we will pay for the total of all covered losses for Demolition Cost and Increased Cost of Construction is the Limit of Insurance shown below. Subject to this combined Limit of Insurance, the following loss payment provisions apply:

- (i) For Demolition Cost, we will not pay for more than the amount you actually spend to

demolish and clear the site of the described premises.

(ii) For Increased Cost of Construction:

1) We will not pay for the increased cost of construction:

a) Until the property is actually repaired or replaced, at the same or another premises; and

b) Unless the repairs or replacement are made as soon as possible after the loss or damage, not to exceed two years.

2) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the same premises.

(iii) The most we will pay for loss under Demolition Cost and Increased Cost of Construction for each building is \$300,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

(iv) Under this endorsement we will not pay for loss due to any ordinance or law that:

1) You were required to comply with before the loss, even if the building was undamaged; and

2) You failed to comply with

37. Pollutant Clean-Up and Removal

A. Coverage, Paragraph 4. Additional Coverages, subparagraph d. of Building and Personal Property Coverage Form CP 00 10 is replaced by the following:

d. Pollutant Clean-Up and Removal

(1) We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of

the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

(2) This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants".

(3) But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

(4) The most we will pay under this Additional Coverage for each described premises is \$50,000, or the Limit of Insurance shown in the Amended Limits Section of this Endorsement, for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy.

(5) This Additional Coverage is an additional amount of insurance.

38. Preservation of Property

A. Coverage, Paragraph 4. Additional Coverage, subparagraph b. of Building and Personal Property Coverage Form CP 00 10, is replaced by the following:

b. Preservation of Property

If it is necessary to move Covered Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

(1) While it is being moved or while temporarily stored at another location; and

(2) Only if the loss or damage occurs within 90 days after the property is first moved.

39. Preservation of Property – Expense

The following is added to **A. Coverage, Paragraph 4. Additional Coverages of Building and Personal Property Coverage Form CP 00 10:**

Preservation of Property – Expense

(1) If it is necessary to move Covered

Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay your expenses to move or store the Covered Property.

- (2) This coverage applies for 90 days after the property is first moved, but does not extend past the date on which this policy expires.
- (3) The most we will pay under this Additional Coverage is \$25,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.
- (4) Additional Coverage The amount payable under this is additional insurance.

40. Property in Transit

F. Additional Coverage Extensions, Paragraph 1. of Causes of Loss – Special Form CP 10 30, is replaced by the following:

1. Property in Transit

- a. You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage, caused by a Covered Cause of Loss, to your property or property of others that is in your care, custody or control while "in transit".
- b. You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage, caused by a Covered Cause of Loss, to outgoing shipments that have been rejected, while in due course of transit back to you or while awaiting return shipment to you.
- c. This Extension applies to the property while:
 - (1) In a vehicle owned, leased or operated by you; or
 - (2) In the custody of a common carrier or contract carrier.
- d. The following Exclusions do not apply to this Extension:
 - (1) Earth Movement; and
 - (2) Water.
- e. The most we will pay for loss or damage under this Extension is

\$50,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

- f. This Coverage Extension is additional insurance.

g. Special Property in Transit Exclusions

This Extension does not apply to:

- (1) Shipments that belong to others that you are transporting for a fee;
- (2) Salesperson's samples; or
- (3) Loss to "perishable stock" resulting from a breakdown of refrigeration equipment on any vehicle owned, leased or operated by you or while in the custody of a common or contract carrier.

41. Property Off Premises

A. Coverage, Paragraph 5. Coverage Extensions, subparagraph d. of Building and Personal Property Coverage Form CP 00 10, is replaced by the following:

d. Property Off Premises

- (1) You may extend the insurance that applies to Business Personal Property while:
 - (a) Temporarily at a location you do not own, lease or operate; or
 - (b) At any fair, trade show or exhibition.
- (2) The most we will pay for loss or damage under this Extension is \$100,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.
- (3) **Special Property Off Premises Exclusion**
This extension does not apply to property:
 - (a) In or on a vehicle; or
 - (b) In the care, custody or control of your salespersons, unless the property is in such care, custody or control at a fair, trade show or exhibition.

42. Prototypes

The following is added to **A. Coverage, Paragraph 5. Coverage Extensions** of Building and Personal Property Coverage

Form CP 00 10:

Prototypes

- (1) You may extend the insurance that applies to your Business Personal Property to apply to direct physical loss or damage, caused by a Covered Cause of Loss, to "prototypes" related to your "research and development operations" that:
 - (a) You own; or
 - (b) Are owned by others and in your care, custody or control;
 while at a described premises.
- (2) We will not pay for loss or damage to "prototypes" until you actually replicate such property. Repairs or replication must be made as soon as reasonably possible after the loss or damage, but in no event later than two years after the loss or damage unless we grant an extension in writing prior to the expiration of the two year period.
- (3) Payment under this Extension is included within your Business Personal Property Limit of Insurance.

43. Rewards – Arson, Theft, Vandalism

The following is added to **A. Coverage**, Paragraph 4. **Additional Coverages**, of Building and Personal Property Coverage Form CP 00 10:

Rewards – Arson, Theft, Vandalism

- (1) We will reimburse you for payment of any reward offered on your behalf and for information that leads to the arrest and conviction of the person or persons responsible for:
 - (a) Arson;
 - (b) "Theft"; or
 - (c) Vandalism
 to Covered Property.
- (2) The arrest or conviction must involve a covered loss caused by arson, "theft" or vandalism.
- (3) The most we will pay under this Additional Coverage is \$50,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement. The amount we pay is not increased by the number of persons involved in providing the information.
- (4) The amount payable under this Additional Coverage is additional

insurance.

- (5) The deductible does not apply to this Additional Coverage.

44. Sales Representative Samples

The following is added to **A. Coverage**, Paragraph 4. **Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Sales Representative Samples

- (1) We will pay for direct physical loss or damage by a Covered Cause of Loss to samples of your "stock" in trade (including containers) while:
 - (a) In the custody of your sales representative, agent or any "employee" who travels with sales samples;
 - (b) In your custody while acting as a sales representative; or
 - (c) "In transit" between the described premises and your sales representatives.
- (2) The following Exclusions do not apply to this Additional Coverage:
 - (a) Earth Movement; and
 - (b) Water.
- (3) The most we will pay for any loss or damage under this Additional Coverage is \$25,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.
- (4) The amount payable under this Additional Coverage is additional insurance.
- (5) We will not pay for loss to the following property:
 - (a) Property which has been sold;
 - (b) Jewelry, precious or semiprecious stones, gold, silver, platinum or other precious metals or alloys;
 - (c) Fur, fur garments of garments trimmed with fur; or
 - (d) Any property while waterborne.
- (6) **Special Sales Representative Sample Exclusion**
 We do not cover loss resulting from "theft" from an unattended vehicle, except when it is securely locked its windows are fully closed, and there is visible evidence that entry into the vehicle was forced.

45. Seasonal Increase – Business Personal Property

The following is added to **A. Coverage, Paragraph 5 Coverage Extensions** of Building and Personal Property Coverage Form CP 00 10:

Seasonal Increase – Business Personal Property

- (1) The Limit of Insurance for Business Personal Property will automatically increase by 25% to provide for seasonal variations in your business.
- (2) This increase will apply only if the Limit of Insurance shown for Business Personal Property in the Declarations is at least 100% of your average monthly values during the lesser of:
 - (a) The 12 months immediately preceding the date the loss or damage occurs; or
 - (b) The period of time you have been in business as of the date the loss or damage occurs

46. Sewer Backup

The following is added to **A. Coverage, Paragraph 4. Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Sewer Backup

- (1) We will pay for direct physical loss or damage to Covered Property at the described premises, solely caused by or resulting from water or waterborne material carried or moved by water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment. The term drain includes a roof drain and its related fixtures.
- (2) The most we will pay under this Additional Coverage is \$100,000.
- (3) **Special Sewer Backup Exclusion**
We will not pay for:
 - (a) Loss or damage from water or other materials that back-up or overflow from any sewer or drain, sump, sump pump or related equipment when it is caused by or results from any "flood", regardless of the proximity of the back-up or overflow to the "flood" condition; or
 - (b) Failure to keep a sump pump or

its related equipment in proper working condition; or

- (c) Failure to perform routine maintenance or repair necessary to keep a sewer or drain free from obstructions.

47. Soft Costs

The following is added to **A. Coverage, Paragraph 5 Coverage Extensions** of Building and Personal Property Coverage Form CP 00 10:

Soft Costs

- (1) We will pay the actual "soft cost expenses" that arise out of a delay in the construction, erection or fabrication of a Covered Building that is listed in paragraphs **A.1.a.(5)** of Building and Personal Property Coverage Form CP 00 10 and **Section III.A.3.a.(11)** of this endorsement resulting from direct physical loss or damage to that Covered Building from a Covered Cause of Loss.
- (2) We will only pay the necessary "soft cost expenses" that are over and above those costs that would have been incurred had there been no delay.
- (3) The most we will pay under this Extension in any one "occurrence" is \$10,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

48. Temporary Relocation of Property

The following is added to **A. Coverage, Paragraph 4. Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Temporary Relocation of Property

- (1) We will pay for loss of or damage to Covered Property from a Covered Cause of Loss while it is away from the described premises, if it is being stored temporarily at a location you do not own, lease or operate while the described premises is being renovated or remodeled.
- (2) This coverage applies for 90 days after the property is first moved, but does not extend past the date on which this policy expires.
- (3) The most we will pay under this Additional Coverage is \$50,000 or the

Limit of Insurance shown in the Amended Limits Section of this Endorsement.

- (4) The amount payable under this Additional Coverage is additional insurance.

49. Tenant Glass

The following is added to **A. Coverage**, Paragraph 4. **Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Tenant Glass

- (1) If glass in a building you occupy, but do not own, is damaged, we will pay for direct physical loss of or damage to glass.
- (2) This insurance includes replacement of lettering, artwork, ornamentation, sensors or other items permanently affixed to, or a part of a building at an insured location.
- (3) For coverage to apply, the glass must be in your care, custody or control and repairs must be made at your expense.
- (4) We will also pay for necessary:
 - (a) Expenses incurred to put up temporary plates or board up openings when repair or replacement of the damaged glass is delayed;
 - (b) Repair or replacement of encasing frames; and
 - (c) Expenses incurred to remove or replace obstructions to repair or replace the damaged glass.
This does not include the cost of removing, replacing or rebuilding window displays.
- (5) Paragraph **B. Exclusions** of Causes of Loss Special Form CP 10 30 does not apply to this Additional Coverage, except for:
 - (a) Paragraph **B.1.b. Earth Movement**;
 - (b) Paragraph **B.1.c. Governmental Action**;
 - (c) Paragraph **B.1.d. Nuclear Hazard**;
 - (d) Paragraph **B.1.f War & Military Action**; and
 - (e) Paragraph **B.1.g. Water**.

- (6) We will not pay for loss or damage caused by or resulting from:
 - (a) Wear and tear;
 - (b) Hidden or latent defect;
 - (c) Corrosion; or
 - (d) Rust;

whatever its origin or cause.

- (7) The most we will pay for loss or damage in an "occurrence" under this Additional Coverage is \$10,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.
- (8) The amount payable under this Additional Coverage is additional insurance.

50. Tenant Relocation

The following is added to **A. Coverage**, Paragraph 4. **Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Tenant Relocation

- (1) In the event that your tenants must temporarily vacate the covered Building at the described premises due to untenability caused by direct physical loss or damage by a Covered Cause of Loss, we will pay the following expenses you actually incur to move those tenants out of and back into your covered Building.
- (2) We will only pay for the following expenses:
 - (a) Packing, transporting and unpacking the tenant's Business Personal Property including the cost of insuring the move out and back and any necessary disassembly and reassembly or setup of furniture and equipment; and
 - (b) The net cost to discontinue and re-establish the tenants' utility and telephone services, after any refunds due the tenants.
- (3) We will only pay for these expenses that you actually incur within 60 days of the date that the damaged buildings has been repaired or rebuilt.
- (4) Regardless of the number of tenants involved, the most we will pay in any one "occurrence" is \$25,000 or the Limit of Insurance shown in the

Amended Limits Section of this Endorsement.

51. Theft Damage to Building

The following is added to **A. Coverage, Paragraph 5. Coverage Extensions** of Building and Personal Property Coverage Form CP 00 10:

Theft Damage to Building

(1) You may extend the insurance that applies to your Business Personal property to apply to direct physical loss or damage to:

- (a) That part of the non-owned building where you are a tenant; and
- (b) Non-owned equipment within the building used to maintain or service the building;

Caused by or resulting from "theft" or attempted "theft".

- (2) This Extension applies only to a premise where you are a tenant and to this premises and non-owned equipment only if you have a contractual obligation to insure.
- (3) Payment under this extension is included within the Limit of Insurance applicable to your Business Personal property.
- (4) We will pay nothing if others pay for the repairs or replacement.

52. Transit Business Income & Extra Expense

The following is added to **A. Coverage, Paragraph 5. Additional Coverages** of Business Income (and Extra Expense) Coverage Form CP 00 30 and Business Income (and Extra Expense) Coverage Form - Actual Loss Sustained 411-0581:

Transit Business Income & Extra Expense

- (1) We will pay the actual loss of Business Income you sustain and necessary and reasonable Extra Expense you incur caused by direct physical loss of or direct physical damage to Covered Property while "in transit" caused by or resulting from a Covered Cause of Loss.
- (2) The following Exclusions do not apply to this Additional Coverage:
 - (a) Earth Movement; and
 - (b) Water.

(3) The most we will pay for loss in any one "occurrence" under this Additional Coverage is \$50,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

(4) The amount payable under this Additional Coverage is additional insurance.

53. Undamaged Tenants Improvements and Betterments

The following is added to **A. Coverage, Paragraph 5. Coverage Extensions** of Building and Personal Property Coverage Form CP 00 10:

Undamaged Tenants Improvements and Betterments

(1) You may extend the insurance that applies to your Business Personal Property to apply to your use as a tenant in the undamaged portion of Improvements and Betterments due to the cancellation of your written lease:

- (a) Made part of the building or structure you occupy but do not own; and
- (b) You acquired but cannot legally remove.

(2) The cancellation must result from:

- (a) Direct physical loss or damage to a building at premises described in the Declarations caused by or resulting from any Covered Cause of Loss

(3) We will determine the proportionate value of Undamaged Tenants Improvements and Betterments as Follows:

- (a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
- (b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.

(4) The most we will pay for loss or damage under this Extension in any one "occurrence" is \$25,000 or the

Limit of Insurance shown in the Amended Limits Section of this Endorsement.

- (5) The amount payable under this Coverage Extension is additional insurance.

54. Underground Water Seepage

The following is added to **A. Coverage**, Paragraph **4. Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Underground Water Seepage

- (1) We will pay for direct physical loss or damage to Covered Property at the described premises, caused by or resulting from water under the ground surface pressing on, or flowing or seeping through:
 - (a) Foundations, walls, floors or paved surfaces; or
 - (b) Basements, whether paved or not.
- (2) The most we will pay for loss in any one "occurrence" under this Additional Coverage is \$25,000.
- (3) The amount payable under this Additional Coverage is additional insurance.

55. Unintentional Property Reporting Errors

The following is added to **A. Coverage**, Paragraph **4. Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Unintentional Property Reporting Errors

- (1) If "you" unintentionally failed to report or describe a location to "us", coverage provided by this policy will not be invalid. However, "you" must report such errors or omission to "us" in writing as soon as you discover them. "You" also agree to pay the additional premium that would have been earned by "us" if the location was correctly reported to "us".
- (2) This Additional Coverage only applies to direct loss or damaged caused by a Covered Cause of Loss at the omitted location and does not include any coverage for the perils of flood or earthquake even if flood and earthquake coverage is purchased for this or another policy.
- (3) You must provide reasonable

documentation and clear and convincing evidence explaining the cause of the oversight.

- (4) For any location you have failed to report to us, this coverage will end when any of the following first occurs:
 - (a) This policy expires; or
 - (b) You report values to us.
- (5) The most we will pay for any loss under this Additional Coverage in any one policy period regardless of the number of occurrences or reporting errors or omissions is \$500,000.
- (6) This coverage is additional insurance.
- (7) This Additional Coverage does not apply to a loss that is covered under **Newly Acquired or Constructed Property** coverage.

56. Unnamed Locations

The following is added to **A. Coverage**, Paragraph **5. Coverage Extensions** of Building and Personal Property Coverage Form CP 00 10:

Unnamed Locations

- (1) You may extend the insurance that applies to your Business Personal Property to apply to direct physical loss or damage, caused by a Covered Cause of Loss, to your property or property of others that is in your care, custody or control while it is at other than a described location, but located within the Coverage Territory.
- (2) **Special Unnamed Locations Exclusions**

This Extension does not apply to:

- (a) Loss or damage caused directly or indirectly by "Flood" or Earthquake, even when these Causes of Loss are added to this policy by endorsement.
- (b) Loss or damage covered under the following Additional Coverages or Extensions:
 - (i) Property in Transit
 - (ii) Sales Representatives Samples; or
 - (iii) Property on Exhibition.
- (c) Any property that is covered under this Coverage Part or policy, or any other policy, whether collectible or not.

- (3) The most we will pay for loss or damage in any one "occurrence" under this Extension of Coverage is \$100,000, or the Limit of Insurance shown in the Amended Limits Section of this Endorsement, regardless of the number of unnamed locations.

57. Utility Services

The following is added to **A. Coverage**, Paragraph 4. **Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Utility Services

- (1) We will pay for loss of or damage to Covered Property caused by an interruption in service to the described premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to property not on the described premises that provides the services shown below in paragraph (3).

The most we will pay for loss in any one "occurrence" under this Additional Coverage is \$50,000 at each described premises or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

- (2) We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur caused by the interruption of service at the described premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to property not on the described premises that provides the services shown below in paragraph (3).

We will only pay for loss you sustain after the first 24 hours following the direct physical loss or damage to the property described above.

The most we will pay for loss in any one "occurrence" under this Additional Coverage is \$50,000 at each described premises or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

- (3) Services:

- (a) Water Supply Services, meaning the following types of property supplying water to the described premises:
- (i) Pumping stations; and

- (ii) Water mains.

- (b) Communication Supply Services, meaning the following types of property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

- (i) Communication transmission lines, including optic fiber transmission lines;
- (ii) Coaxial cables; and
- (iii) Microwave radio relays except satellites.

- (c) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described premises:

- (i) Utility generating plants;
- (ii) Switching stations;
- (iii) Substations;
- (iv) Transformers; and
- (v) Transmission lines.

Services under this Additional Coverage do not include overhead transmission lines that deliver utility services to you. Overhead transmission lines include, but are not limited to:

- (vi) Overhead transmission and distribution lines;
- (vii) Overhead transformers and similar equipment; and
- (viii) Supporting poles and towers.

- (4) As used in this additional coverage, the term transmission lines includes all lines which serve to transmit communication service or power, including lines which may be identified as distribution lines.

- (5) This coverage is not an additional amount of insurance.

- (6) Coverage under this Additional Coverage for loss or damage to Covered Property does not apply to loss or damage to "electronic data", including destruction or corruption of "electronic data".

(7) Special Utility Services Exclusion

Coverage under this Additional Coverage does not include loss of "perishable goods" due to "spoilage"

that results from:

- (a) Complete or partial lack of electrical power; or
- (b) Fluctuation of electrical current.

58. Voluntary Parting

The following is added to **A. Coverage**, Paragraph **4. Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Voluntary Parting

- (1) We will pay for loss or damage to covered property when you or your "employees" are fraudulently induced to part with Covered Property to or by:
 - (a) Persons who falsely represent themselves as the proper persons to receive the property; or
 - (b) Acceptance of fraudulent bills of lading or shipping receipts.
- (2) The most we will pay under this additional coverage is \$25,000 for any one "occurrence" or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

59. Water Damage, Other Liquids, Powder or Molten Material Damage

F. Additional Coverage Extensions, Paragraph **2.** of Causes of Loss – Special Form CP 10 30 is replaced by the following:

2. Water Damage, Other Liquids, Powder or Molten Material Damage

- a. If loss or damage caused by or resulting from covered water damage or other liquid, powder or molten material damage loss occurs, we will also pay the cost to tear out and replace any part of the building or structure, or, in the case of underground pipes, lawns, shrubs or paved areas, to repair damage to the system or appliance from which the water or other substance escapes.
- b. Payment under this Additional Coverage is included within the applicable Limit of Insurance. The maximum we will pay for loss or damage to lawns, shrubs or paved areas is \$25,000 per "occurrence" or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

THIS IS NOT FLOOD INSURANCE OR PROTECTION FROM AN INUNDATION OF SURFACE WATER, HOWEVER CAUSED.

60. Windblown Debris

The following is added to **A. Coverage**, Paragraph **5. Coverage Extensions** of Building and Personal Property Coverage Form CP 00 10:

Windblown Debris

- (1) We will pay your reasonable expenses to remove the windblown debris (including trees) from the described premises, if it is carried to the described premises from the premises of others by wind, during the policy period.
- (2) The most we will pay in any one "occurrence" in total for the removal of all windblown debris under this Extension is \$5,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

61. Worldwide Property Off-Premises

The following is added to **A. Coverage**, Paragraph **5. Coverage Extensions** of Building and Personal Property Coverage Form CP 00 10:

Worldwide Property Off-Premises

- (1) You may extend the insurance that applies to your Business Personal Property and Personal Property of Others to apply to that property while it is temporarily outside the coverage territory if it is:
 - (a) Temporarily at a location you do not own, lease or operate;
 - (b) Temporarily on display or exhibit at any fair, trade show or exhibition;
 - (c) Samples of your "stock" in trade in the custody of your sales representatives; or
 - (d) While "in transit" between the described premises and a location described in (a), (b) or (c) above.
- (2) The most we will pay for loss or damage under this Extension is \$45,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.
- (3) This Extension provides an additional amount of insurance.

B. Coverages Included within the Blanket Limit of Insurance

1. Accounts Receivable

The following is added to **A. Coverage, Paragraph 4. Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Accounts Receivable

- (1) We will pay for loss or damage caused by or resulting from a Covered Cause of Loss to your records of Accounts Receivable.

Accounts Receivable means:

- (a) All amounts due from your customers that you are unable to collect;
- (b) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
- (c) Collection expenses in excess of your normal collection expenses that are made necessary by loss or damage; and
- (d) Other reasonable expenses that you incur to re-establish your records of accounts receivable.

- (2) The most we will pay under this Additional Coverage for loss or damage in any one "occurrence" at a described premises is subject to the Blanket Coverage Limit of Insurance or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

(3) Special Accounts Receivable Exclusions

We will not pay for loss or damage:

- (a) Caused by alteration, falsification, concealment or destruction of records of accounts receivable done to conceal the wrongful giving, taking or withholding of "money", "securities" or "other property".

This exclusion applies only to the extent of the wrongful giving, taking or withholding

- (b) Caused by bookkeeping, accounting or billing errors or omissions
- (c) That requires any audit of records or any inventory computation to

prove its factual existence.

2. Deferred Payments

The following is added to **A. Coverage, Paragraph 4. Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Deferred Payments

- (1) We will pay for your interest in lost or damaged Personal Property sold by you under a conditional sale or trust agreement or any installment or deferred payment plan after delivery to buyers. The loss or damage must be caused by a Covered Cause of Loss.

- (2) When a total loss to that property occurs, deferred payments are valued on the amount shown on your books as due from the buyer.

When a partial loss to that property occurs and the buyer refuses to continue payment, forcing you to repossess, deferred payments are valued as follows:

- (a) If the realized or appraised value of the repossessed property is greater than or equal to the amount shown on your books as due from the buyer, we will make no payment; but

- (b) If the realized value of the repossessed property is less than the amount shown on your books as due from the buyer, we will pay the difference.

- (3) When loss occurs and the buyer continues to pay you, there will be no loss payment.

- (4) The most we will pay under this Additional Coverage for loss or damage in any one "occurrence" at a described premises is subject to the Blanket Coverage Limit of Insurance or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

3. Fine Arts

The following is added to **A. Coverage, Paragraph 4. Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Fine Arts

- (1) We will pay for direct physical loss to "fine arts" which are your property or the property of others in your care,

custody or control while on the described premises. We also cover your "fine arts" while temporarily on display or exhibit away from the described premises or while "in transit" between the described premises and a location where the "fine arts" will be temporarily on display or exhibit.

- (2) The following Exclusions do not apply to this Additional Coverage:

- (a) Earth Movement; and
- (b) Water.

- (3) The most we will pay under this Additional Coverage for loss or damage in any one "occurrence" at a described premises is subject to the Blanket Coverage Limit of Insurance or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

- (4) The amount payable under this Additional Coverage is additional insurance.

(5) Special Fine Arts Exclusion

We will not pay for any loss caused by or resulting from:

- (a) Breakage of statuary, glassware, bric-a-brac, marble, porcelain and similar fragile property. But we will pay if the loss or damage is caused directly by a "specified cause of loss", earthquake or flood; and
- (b) Any repairing, restoration or retouching of the "fine arts".

4. Fire Department Service Charge

A. Coverage, Paragraph 4. Additional Coverages, subparagraph c. of Building and Personal Property Coverage Form CP 00 10 is replaced by the following:

c. Fire Department Service Charge

- (1) When the fire department is called to save or protect Covered Property from a Covered Loss, we will pay your actual expenses for your liability for fire department service charges at each described premises.
- (2) This Additional Coverage applies to your liability for fire department service charges:
 - (a) Assumed by contract or agreement prior to loss; or

- (b) Required by local ordinance.

- (3) No deductible applies to this Additional Coverage.

- (4) The most we will pay under this Additional Coverage for loss or damage in any one "occurrence" at each described premises is subject to the Blanket Coverage Limit of Insurance or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

- (5) Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

5. Movement of Property

The following is added to **A. Coverage, Paragraph 5. Coverage Extensions of Building and Personal Property Coverage Form CP 00 10:**

Movement of Property

- (1) You may extend the insurance that applies to Covered Property to apply to direct physical loss or damage from a Covered Cause of Loss to your Business Personal Property from an insured location which has been deleted from this policy if:

- (a) You moved Covered Property from the deleted location to a new premises; and
- (b) A Limit of Insurance for the new premises has been added to this policy; and
- (c) The direct physical loss or damage occurs to Covered Property at the prior insured location before the movement of property to the new premises is completed.

- (2) Insurance under this Coverage Extension will end when any of the following first occurs:

- (a) The movement of property to the new premises is completed; or
- (b) 30 days after the effective date of the endorsement adding the new premises.

- (3) Regardless of the number of described premises involved, the most we will pay under this Extension for

loss or damage in any one "occurrence" is subject to the Blanket Coverage Limit of Insurance, or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

6. Outdoor Property

A. Coverage, Paragraph 5. Coverage Extensions, subparagraph e of Building and Personal Property Coverage Form CP 00 10 is replaced by the following:

e. Outdoor Property

- (1) You may extend insurance provided by this Coverage Form to apply to your radio and television antennas (including satellite dishes), trees, shrubs, plants and lawns which are "stock" or are a part of a vegetated roof, including debris removal expense, caused by or resulting from any of the following causes of loss:
 - (a) Fire;
 - (b) Windstorm;
 - (c) Hail;
 - (d) Lightning;
 - (e) Explosion;
 - (f) Riot or Civil Commotion;
 - (g) Vandalism;
 - (h) Aircraft or Vehicles;
 - (i) Theft; or
 - (j) Falling Objects.
- (2) Coverage under this Extension does not apply to property held for sale by you.
- (3) We will not pay more than \$1,000 for loss or damage to any one tree, shrub or plant under this Extension.
- (4) Regardless of the number of described premises involved, the most we will pay under this Extension for loss or damage in any one "occurrence" is subject to the Blanket Coverage Limit of Insurance, or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

7. Personal Effects & Property of Others

A. Coverage, Paragraph 5. Coverage Extensions, subparagraph b. of Building

and Personal Property Coverage Form CP 0010 is replaced by the following:

b. Personal Effects & Property of Others

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to:
 - (a) Personal effects owned by you, your officers, your partners or members, your managers or officers, your directors, your trustees or your employees.
 - (b) Personal property of others in your care, custody or control.
- (2) We will not pay more than \$5,000 in total for loss or damage for any one person, in any one "occurrence". Our payment for loss or damage to personal property of others will only be for the account of the owner of the property. No deductible applies to this Extension.
- (3) Regardless of the number of persons involved, the most we will pay under this Extension is subject to the Blanket Coverage Limit of Insurance or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

8. Research and Development Documentation

The following is added to **A. Coverage, Paragraph 5. Coverage Extensions** of Building and Personal Property Coverage Form CP 00 10:

Research and Development Documentation

- (1) You may extend the insurance that applies to Business Personal Property to apply to direct physical loss or damage, resulting from a Covered Cause of Loss, to "research and development documentation" that you own or that is in your care, custody or control at a described premises.
- (2) Paragraph **B. Exclusions** of Causes of Loss – Special Form CP 10 30 do not apply to this Coverage Extension, except for:
 - (a) Paragraph **B.1.c. Governmental Action**;

- (b) Paragraph B.1.d. Nuclear Hazard;
 - (c) Paragraph B.1.f. War and Military Action;
 - (d) Paragraph B.2.h. Dishonesty;
 - (e) Paragraph B.2.i. False Pretense; and
 - (f) Paragraph B.3.
- (3) This Coverage Extension does not apply to loss or damage caused by or resulting from:
- (a) Electrical or magnetic injury, disturbance or erasure of electronic recordings that is caused by or results from:
 - (i) Programming errors or faulty machine instructions; or
 - (ii) Faulty installation or maintenance of data processing equipment or component parts.
 - (b) Errors or omissions in processing or copying. But if errors or omissions in processing or copying results in fire or explosion, we will pay for the direct loss or damage caused by the fire or explosion;
 - (c) Erasure of "research and development documentation"; or
 - (d) Unauthorized instructions to transfer property to any person or place.
- (4) Coverage provided by this Extension does not apply to "research and development documentation" which exist as "electronic data".
- (5) We will not pay for loss or damage to "research and development documentation" until you actually replicate such documentation. Repairs or replication must be made as soon as reasonably possible after the loss or damage, but in no event later than two years after the loss or damage unless we grant an extension in writing prior to the expiration of the two-year period.
- (6) We will not pay for loss or damage to "research and development documentation" applicable to:
- (a) Products that are obsolete;
 - (b) Existing products you have

withdrawn from the market; or

- (c) Existing products you have not sold in the last twelve months prior to the loss.

- (7) Regardless of the number of insured locations involved, the most we will pay under this Extension for loss or damage in any one "occurrence" at a described premises is subject to the Blanket Coverage Limit of Insurance or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

9. Valuable Papers and Records (Other Than Electronic Data)

A. Coverage, Paragraph 5. Coverage Extensions, subparagraph c. of Building and Personal Property Coverage Form CP 00 10 is replaced by the following:

c. Valuable Papers and Records (Other Than Electronic Data)

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage to "valuable papers and records" that you own, or that are in your care, custody or control caused by a Covered Cause of Loss. This Extension includes the cost to research, replace or restore the lost information that previously existed on "valuable papers and records" for which duplicates do not exist.

- (2) The following Exclusions do not apply to this Coverage Extension:

- (a) Earth Movement; and
- (b) Water.

- (3) The most we will pay under this Extension for loss or damage in any one "occurrence" at a described premises is subject to the Blanket Coverage Limit of Insurance or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

IV. VALUATION

A. E. Loss Conditions, Paragraph 7. Valuation, subparagraph b. of Building and Personal Property Coverage Form CP 00 10 is replaced by the following:

- b. If the Limit of Insurance for Building satisfies the Additional Condition,

Coinurance, and the cost to repair or replace the damaged building property is \$2,500 or less, we will pay the cost of building repairs or replacement.

The cost of building repairs or replacement does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

However, the following property will be valued at the actual cash value even when attached to the building:

- (1) Awnings or floor coverings;
- (2) Appliances for refrigerating, ventilating, cooking, dishwashing or laundering;
- (3) Outdoor equipment or furniture; or
- (4) Retaining walls.

B. The following is added to E. Loss Conditions, Paragraph 7. Valuation of Building and Personal Property Coverage Form CP 00 10:

- f. "Valuable papers and records" at the cost of restoration or replacement, including the cost of data entry, re-programming, computer consultation services and the media on which the data or programs reside. To the extent that the contents of the "valuable papers and records" are not replaced or restored, the "valuable papers and records" will be valued at the cost of blank materials for reproducing the records and the labor to transcribe or copy the records when there is a duplicate.
- g. "Money" at its face value.
- h. "Securities" at their value at the close of business on the day the loss is discovered.
- i. Accounts Receivable:
 - (1) If you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss or damage:
 - (a) We will determine the total of the average monthly amounts of accounts receivable for the 12 months preceding the month in which loss or damage occurs; and
 - (b) We will adjust that total for any normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.
 - (2) The following will be deducted from

the total amount of accounts receivable, however that amount is established:

- (a) The amount of the accounts for which there is no loss or damage;
 - (b) The amount of the accounts that you are able to re-establish or collect; an amount to allow for probable bad debts that you are normally unable to collect;
 - (c) An amount to allow for probable bad debts that you are normally unable to collect; and
 - (d) All unearned interest and service charges.
- j. Property "in transit" (other than "stock" you have sold) at the amount of invoice, including your prepaid or advanced freight charges and other charges which may have accrued or become legally due since the shipment. If you have no invoice, actual cash value will apply.
 - k. "Hardware":
 - (1) "Hardware" that is replaced will be at the cost of replacing the "hardware" with new equipment that is functionally comparable to the "hardware" that is being replaced.
 - (2) "Hardware" that is not replaced will be at actual cash value at the time of loss.
 - (3) In no event will we pay more than the reasonable cost of restoring partially damaged "hardware" to its condition directly prior to the damage.
 - l. "Software":
 - (1) "Programs and applications" will be at the cost to reinstall the "programs and applications" from the licensed discs that were originally used to install the programs or applications.
If the original licensed discs are lost, damaged, or can no longer be obtained, the value of "programs and applications" will be based on the cost of the most current version of the "programs or applications".
 - (2) "Proprietary programs" will be at the cost of reproduction from duplicate copies. The cost of reproduction includes, but is not limited to, the cost of labor to copy or transcribe from duplicate copies.
If duplicate copies do not exist, the

value of "proprietary programs" will be based on the cost of research or other expenses necessary to reproduce, replace, or restore lost "proprietary programs".

- (3) "Electronic data" will be at the cost of reproduction from duplicate copies. The cost of reproduction includes, but is not limited to, the cost of labor to copy or transcribe from duplicate copies.

If duplicate copies do not exist, the value of "electronic data" will be based on the cost of research or other expenses necessary to reproduce, replace, or restore lost files, documents and records.

- (4) "Media" will be at the cost to repair or replace the "media" with material of the same kind or quality.

m. "Fine Arts"

We will pay the lesser of:

- (1) The market value at the time of loss or damage;
- (2) The reasonable cost of repair or restoration to the condition immediately before the covered loss or damage; or
- (3) The cost of replacement with substantially identical property.

For pairs or sets, we will either:

- (a) Repair or replace any part to restore the value and condition of the pair or set to that immediately before the covered loss or damage; or
- (b) Pay the difference between the value of the pair or set before and after the covered loss or damage.

- n. Property of Others – our payment for loss of or damage to personal property of others will only be for the account of the owners of the property. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- o. We may elect to defend you against suits arising from claims of owners or property. We will do this at our expense.
- p. Labor, materials and services that you furnish or arrange on personal property of

others are valued based on the actual cost of the labor, materials and services.

- q. Finished "stock" you manufactured at the selling price less discounts and expenses you otherwise would have had.
- r. "Prototypes"

We will not pay more than the lesser of the following amounts:

- (1) The replacement cost of such property used for the same product, but only if replacement cost is shown as applicable to Personal Property in the Declarations.

However, when replacement with identical property is impossible or unnecessary, the amount of loss will be based on the cost to replace with similar property used to perform the same functions. Property of others will be valued in the same manner, but we will not pay more than the amount for which you are legally liable; or

- (2) The amount you actually spend to repair or replace lost or damaged "prototypes" used for the same purpose.

- s. "Research and development documentation":

We will not pay more than the least of the following amounts:

- (1) Your cost actually spent to reproduce lost or damaged "research and development documentation" from back-up files or original source documents;
- (2) The reasonable cost necessary to research, repair, restore, recreate, reconstitute, reproduce or replace "research and development documentation", used for the same product, to their condition immediately before the loss or damage;
- (3) If identical "research and development documentation" cannot be purchased, the cost to purchase such documentation of comparable kind, functionality and quality; or
- (4) The amount you actually spend to research, repair, restore, recreate, reconstitute, reproduce or replace "research and development documentation", used for the same product.

But we will not pay more than the cost to restore "research and development

documentation" to its condition immediately prior to the loss.

V. DEFINITIONS

The following is added to Paragraph H. of Building and Personal Property Coverage Form CP 00 10:

H. Definitions

1. "Antiques" means an object having value because its:
 - a. Craftsmanship is in the style or fashion of former times; and
 - b. Age is 100 years or older.
2. "Banking premises" means the interior of that portion of any building occupied by a banking institution or similar safe depository.
3. "Communicable disease" means a bacterial micro-organism transmitted through human contact with food.
4. "Computer equipment" means:
 - a. "Hardware" owned by you or in your care, custody or control;
 - b. "Software"; or
 - c. "Protection and control equipment".
5. "Computer hacking" means an unauthorized intrusion by an individual or group of individuals, whether employed by you or not, into "hardware" or "software", a Web site, or a computer network and that results in but is not limited to:
 - a. Deletion, destruction, generation, or modification of "software";
 - b. Alteration, contamination, corruption, degradation, or destruction of the integrity, quality or performance of "software";
 - c. Observation, scanning, or copying of "electronic data", "programs and applications", and "proprietary programs";
 - d. Damage, destruction, inadequacy, malfunction, degradation, or corruption of any "hardware" or "media" used with "hardware"; or
 - e. Denial of access to or denial of services from "hardware", "software", computer network, or Web site including related "software".
6. "Computer Virus" means the introduction into "hardware", "software", computer network, or Web site of any malicious, self-replicating electronic data processing code or other code and that is intended to result in, but is not limited to:
 - a. Deletion, destruction, generation, or modification of "software";
 - b. Alteration, contamination, corruption, degradation, or destruction of the integrity, quality, or performance of "software";
 - c. Damage, destruction, inadequacy, malfunction, degradation, or corruption of any "hardware" or "media" used with "hardware"; or
 - d. Denial of access to or denial of services from "hardware", "software", computer network, or Web site including related "software".
7. "Counterfeit money" means an imitation of "money" that is intended to deceive and to be taken as genuine.
8. "Denial of service attack" means the malicious direction or a high volume of worthless inquiries to Website or e-mail destinations, effectively denying or limiting legitimate access regardless of whether or not damage to "computer equipment" results.
9. "Dependent property" means property operated by others whom you depend on to:
 - a. Deliver materials or services to you, or to others for your account. But any property which delivers any of the following services is not a dependent property with respect to such services:
 - (1) Water supply services;
 - (2) Power supply services; or
 - (3) Communication supply services, including services relating to Internet access or access to any electronic network;
 - b. Accept your products or services;
 - c. Manufacture products for delivery to your customers under contract of sale; or
 - d. Attract customers to your business.
10. "Dependent property period of restoration" means the period of time that:
 - a. Begins 72 hours after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises of the "dependent property"; and
 - b. Ends on the date when the property at the premises of the "dependent

property" should be repaired, rebuilt or replaced with reasonable speed and similar quality.

"Dependent property period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:

- c. Regulates the construction, use or repair, or requires the tearing down, of any property; or
- d. Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "dependent property period of restoration".

11. "Discover" or "Discovered" means:

- a. The time when you first become aware of facts which would cause a reasonable person to assume that a loss of a type covered by this policy has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact amount or details may not be known.
- b. "Discover" or "Discovered" also means the time when you first receive notice of an actual or potential claim in which it is alleged that you are liable to a third party under circumstances which, if true, would constitute a loss under this policy.

12. "Electrical disturbance" means electrical or magnetic damage, disturbance of electronic recordings, or erasure of electronic recordings.

13. "Electronic data" means files, documents, information and "programs and applications" in an electronic format and that are stored on "media".

14. "Electronic vandalism" means "computer hacking", "computer virus" or a "denial of service attack". "Electronic vandalism" does not include the theft of any property or services.

15. "Employee" means:

- a. Any natural person:
 - (1) While in your service and for the first 30 days immediately after termination of service;
 - (2) Who you compensate directly by

salary, wages or commissions; and

(3) Who you have the right to direct and control while performing services for you;

b. Any natural person who is furnished temporarily to you:

- (1) To substitute for a permanent "employee" as defined in paragraph a.(1), who is on leave; or
- (2) To meet seasonal or short-term work load conditions;

while that person is subject to your direction and control and performing services for you, excluding, however, any such person while having care and custody of property outside the premises;

c. Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary "employee" as defined in paragraph a.(2);

d. Any natural person who is:

- (1) A trustee, officer, employee, administrator or manager, except an administrator or manager who is an independent contractor, of any "employee benefit plan"; and
- (2) A director or trustee of yours while that person is engaged in handling "funds" or "other property" of any "employee benefit plan";

e. Any natural person who is a former "employee", partner, "manager", director or trustee retained as a consultant while performing services for you;

f. Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody or property outside the described premises;

g. Any "employee" of an entity merged or consolidated with you prior to the effective date of this policy; or

h. Any of your "managers", directors or trustees while:

- (1) Performing acts within the scope of the usual duties of an

"employee"; or

- (2) Acting as a member of any committee duly elected or appointed by resolution of your board of directors or board of trustees to perform specific, as distinguished from general, directorial acts on your behalf.

"Employee" does not mean any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character not specified in Paragraph 15. of this section.

16. "Employee benefit plan" means any welfare or pension benefit plan shown that you sponsor and which is subject to the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments thereto.
17. "Fine arts" means paintings, etchings, pictures, tapestries, rare art glass, art glass windows, valuable rugs, statuary, sculptures, "antique" jewelry, bric-a-brac, porcelains and similar property of rarity, historical value or artistic merit.
18. "Flood" means a general and temporary condition of partial or complete inundation of normally dry land areas due to:
 - a. The overflow of inland or tidal waters;
 - b. The unusual or rapid accumulation of runoff of surface waters from any source; or
 - c. Mudslides or mudflows which are caused by flooding as defined in b. above. For the purpose of this Covered Cause of Loss, a mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
19. "Food contamination" means an incidence of food poisoning to one or more of your customers as a result of:
 - a. Tainted food you purchased;
 - b. Food which has been improperly stored, handled or prepared; or
 - c. A "communicable disease" transmitted through one or more of your "employees".
20. "Fraudulent instruction" means:
 - a. An electronic, telegraphic, cable,

teletype, telefacsimile or telephone instruction which purports to have been transmitted by you, but which was in fact fraudulently transmitted by someone else without your knowledge or consent;

- b. A written instruction issued by you, which was forged or altered by someone other than you without your knowledge or consent or which purports to have been issued by you, but was in fact fraudulently issued without your knowledge or consent; or
- c. An electronic, telegraphic, cable, teletype, telefacsimile, telephone or written instruction initially received by you which purports to have been transmitted by an employee but which was in fact fraudulently transmitted by someone else without your or the employee's knowledge or consent
21. "Forgery" means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.
22. "Funds" means "money" and "securities".
23. "Hardware" means a network of electronic machine components (microprocessors) capable of accepting instructions and information, processing the information according to the instructions, and producing desired results. "Hardware" includes but is not limited to:
 - a. Mainframe and mid-range computers and servers;
 - b. Personal computers and workstations;
 - c. Laptops, palmtops, notebook PCs, other portable computer devices and accessories including, but not limited to, multimedia projectors; and
 - d. Peripheral data processing equipment, including but not limited to, printers, keyboards, monitors, and modems.
24. "Installation, tools and equipment property" means:
 - a. Materials, supplies, machinery, fixtures and equipment that will become a permanent part of your installation while:
 - (1) Located at the site of installation;
 - (2) "In transit" by you to or from the described premises and the job

site; or

- (3) While in temporary storage awaiting installation.

b. Commercial tools and equipment usual to your business and used in your installation which are:

- (1) Your property; or
(2) The property of others in your care, custody or control.

Commercial tools and equipment does not include:

- (3) Aircraft or watercraft;
(4) Any property while waterborne, airborne or underground;
(5) Property you have loaned, rented or leased to others;
(6) Property that is permanently mounted to a vehicle; or
(7) Property held for sale.

25. "In transit" means in the course of shipment from or to the premises shown in the Declarations. It includes such shipments while temporarily stopped or delayed, incidental to the delivery.

26. "Manager" means a person serving in a directorial capacity for a limited liability company.

27. "Member" means an owner of a limited liability company represented by its membership interest who, if a natural person, may also serve as a "manager".

28. "Mechanical breakdown" means the malfunction or failure of moving or electronic parts, component failure, faulty installation, or blowout.

29. "Media" means an instrument that is used with "hardware" and on which "electronic data", "programs and applications", and "proprietary programs" can be recorded or stored. "Media" includes, but is not limited to, films, tapes, cards, discs, drums, cartridges, cells, DVDs, or CD-ROMs.

30. "Money" means:

- a. Currency, coins and bank notes in current use and having a face value; and
b. Travelers checks, register checks and money orders held for sale to the public.

31. "Occurrence" means all loss or damage that is attributable to:

- a. An act, event, cause or series of

similar, related acts, events or causes involving one or more persons; or

- b. An act, event, cause or series of similar, related acts, events or causes not involving any person.

32. "Operations" means your business activities occurring at the described premises.

33. "Other property" means tangible property other than "money" and "securities" that has intrinsic value. "Other property" does not include computer programs, electronic data or any property specifically excluded under this policy.

34. "Perishable goods" means personal property:

- a. Maintained under controlled temperature or humidity conditions for preservation; and
b. Susceptible to loss or damage if the controlled temperature or humidity conditions change.

35. "Power supply disturbance" means interruption of power supply, power surge, blackout, or brownout.

36. "Programs and applications" means operating programs and applications that you purchase and that are:

- a. Stored on "media"; or
b. Pre-installed and stored in "hardware".
Applications includes, but is not limited to, programs for word processing, spreadsheet calculations, and graphic design.

37. "Proprietary programs" means proprietary operating programs and applications that you developed or that you had developed specifically for use in your "operations" and that are:

- a. Stored on "media"; or
b. Installed and stored in "hardware".

38. "Protection and control equipment" means:

- a. Air conditioning equipment used exclusively in the operation of the "hardware";
b. Fire protection equipment used for the protection of the "hardware", including automatic and manual fire suppression equipment and smoke and heat detectors; and
c. Uninterruptible power supply system, line conditioner, and voltage regulator.

39. "Prototype" means an original version of a newly designed product that is an outcome of your "research and development operations". A "prototype" includes sample designs, experimental models or displays that are associated with or integral to the manufacture of the original version of a newly designed product.
40. "Rental value" means Business Income that consists of:
- Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, including fair rental value of any portion of the described premises which is occupied by you; and
 - Continuing normal operating expenses incurred in connection with that premises, including:
 - Payroll; and
 - The amount of charges which are the legal obligation of the tenant(s) but would otherwise be your obligations.
41. "Research and development documentation" means written evidence of facts, information, processes, concepts or formulas that are directly related to the development of new products or enhancement of existing products. Written evidence includes written papers, plans, manuscripts, written or inscribed documents or plans.
- "Research and development documentation" does not include "valuable papers and records", accounts receivable or "media", "software" or "data".
42. "Research and development operations" means your business activities that are directly related to the development of new products or the enhancement of existing products.
43. "Scientific and professional equipment" means medical, engineering, veterinary, measurement, recording, analyzing or similar equipment.
44. "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or property and includes:
- Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you, but does not include "money".
45. "Soft cost expenses" means additional:
- Realty taxes and other assessments that you incur for the period of time that construction has been extended beyond the projected completion date;
 - Interest on money borrowed to finance construction, remodeling, renovation or repair; and
 - Advertising, public relations and promotional expenses.
46. "Software" means:
- "Media";
 - "Electronic data";
 - "Programs and applications"; and
 - "Proprietary programs".
47. "Spoilage" means any detrimental change in physical state of "perishable goods". Detrimental change includes, but is not limited to, thawing of frozen goods, warming of refrigerated goods, solidification of liquid or molten material, chemical reactions to material in process, and reduction in value of time sensitive materials.
48. "Theft" means the unlawful taking of property to the deprivation of the insured.
49. "Transfer account" means an account maintained by you at a financial institution from which you can initiate the transfer, payment or delivery of "money" and "securities":
- By means of electronic, telegraphic, cable, teletype, telefacsimile or telephone instructions communicated directly through an electronic funds transfer system; or
 - By means of written instructions establishing the conditions under which such transfers are to be initiated by such financial institution through an electronic funds transfer system.
50. "Valuable papers and records" means:
- Inscribed, printed or written:
 - Documents;
 - Manuscripts; and

(3) Records

including abstracts, books, deeds,
drawings, films, maps or mortgages;
and

b. Similar items stored electronically.

But, "valuable papers and records" does
not mean "money" or "securities".

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

REAL ESTATE PROPERTY BROADENING ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
 BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
 BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM – ACTUAL LOSS SUSTAINED
 BRONZE PROPERTY BROADENING ENDORSEMENT
 SILVER PROPERTY BROADENING ENDORSEMENT
 GOLD PROPERTY BROADENING ENDORSEMENT
 PLATINUM PROPERTY BROADENING ENDORSEMENT

This endorsement applies only to those locations for which a corresponding premium has been paid.

The following is added to **C. Limits of Insurance** of Building and Personal Property Coverage Form CP 00 10:

The limits applicable to the Coverages included in this endorsement may either be in addition to or included within the applicable Limits of Insurance. For application of the limits, refer to each coverage within this endorsement.

Refer to **SECTION V – DEFINITIONS** of this endorsement for additional words or phrases which appear in quotation marks that have special meaning.

I. COVERAGES

A. Scheduled Coverages

The coverages in this endorsement amend the coverage provided under the Building and Personal Property Coverage Form, Business Income (and Extra Expense) Coverage Form, Business Income (and Extra Expense) Coverage Form – Actual Loss Sustained, and Silver/Gold/Platinum Property Broadening Endorsement through new coverages and substitute coverage grants. These coverages are subject to the provisions applicable to this policy, except where amended within this endorsement. If any of the property covered by this endorsement is also covered under any other provisions of the policy of which this endorsement is made a part, or if more than one coverage under this endorsement applies, in the event of loss or damage, you may choose only one of these coverages to apply to that loss. The most we will pay in this case is the limit of insurance applying to the coverage you select. Coverages included in this endorsement apply either separately to each described premises or on an "occurrence" basis. Refer to each coverage within this endorsement for application of coverage.

	Limits of Insurance	Amended Limits of Insurance	Page
1. Alternative Key Systems	\$100,000	\$	1
2. Emergency Evacuation Expense	\$25,000	\$	2
3. Extended Business Income	365 Days	N/A	2
4. Paved Surfaces	\$50,000	\$	2
5. Realty Tax	\$75,000	\$	3
6. Retail Anchor Store – Business Income	\$150,000	\$	3
7. Tenant Replacement Expense	\$50,000	\$	4

II. DEDUCTIBLE

We will not pay for covered loss or damage in any one "occurrence" unless the amount of loss or damage exceeds the deductible amount shown in the Declarations of this Policy. We will then pay the amount of loss or damage in excess of the Deductible, up to the applicable Limit of Insurance for all coverages listed under **SECTION I – COVERAGES**. No deductible applies to coverages where specifically designated.

III. COVERED PROPERTY

A. Scheduled Coverages

1. Alternative Key Systems

The following is added to **A. Coverage**,

Paragraph 4. **Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Alternative Key Systems

(1) We will pay for loss or damage to

Alternative Key Systems, including card programmers, card readers, transceivers, related alarms, computers, power supplies and any other electronic or mechanical equipment needed to make the card keys work. The loss must be caused by a Covered Cause of Loss and take place at the described premises.

- (2) The most we will pay for loss or damage to alternative key systems is \$100,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement, in any one policy period regardless of the number of claims or number of insured locations involved.
- (3) The amount payable under this Additional Coverage is additional insurance.

2. Emergency Evacuation Expense

The following is added to **A. Coverage**, Paragraph 4. **Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Emergency Evacuation Expense

- (1) We will pay for the reasonable expenses you incur for the emergency evacuation of your tenants and their guests from locations scheduled on the policy.
- (2) The Emergency Evacuation must be in response to an imminent danger of injury or loss of life to your tenants and their guests from a covered cause of loss.
- (3) We will not pay for any expenses arising out of:
 - (a) Planned evacuation drills
 - (b) The evacuation of one or more of your tenants and their guests due to their medical conditions, or
 - (c) The threat of a named tropical storm or hurricane that does not come within 250 miles of the insured location.
- (4) The most we will pay per insured location in any one "occurrence" under this Additional Coverage, regardless of the number of tenants and guests, is \$25,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.
- (5) The amount payable under this

Additional Coverage is additional insurance.

- (6) No deductible applies to this Additional Coverage

3. Extended Business Income

SECTION III. – COVERED PROPERTY, Paragraph A. **Scheduled Coverages**, subparagraph 18. **Extended Business Income** of Silver/Gold/Platinum Property Broadening Endorsement is replaced by the following:

A. Coverage, Paragraph 5. **Additional Coverages**, subparagraphs c.(1)(b) and c.(2)(b) of Business Income (and Extra Expense) Coverage Form CP 00 30 and Business Income (and Extra Expense) Coverage Form – Actual Loss Sustained 411-0581 are replaced by the following:

- (1)(b) Ends on the earlier of:

- (i) The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct physical loss or damage had occurred; or
- (ii) 365 consecutive days after the date determined in (1)(a) above.

- (2)(b) Ends on the earlier of:

- (i) The date you could restore tenant occupancy, with reasonable speed, to the level which would general the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or
- (ii) 365 consecutive days after the date determined in (2)(a) above.

4. Paved Surfaces

The following is added to **A. Coverage**, Paragraph 5. **Coverage Extensions** of Building and Personal Property Coverage Form CP 00 10:

Paved Surfaces

- (1) You may extend the insurance provided under Building to apply to your paved surfaces, including but not limited to bridges, roadways, and parking lots.
- (2) Regardless of the number of

described premises involved, the most we will pay for loss or damage in any one "occurrence" at the described premises is \$50,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

- (3) Payment for loss or damage to this property is included in the applicable Limit of Insurance.

- (4) **A. Coverage, Paragraph 2. Property Not Covered**, subparagraph d. of Building and Personal Property Coverage Form CP 00 10, is deleted.

- (5) **Special Paved Surfaces Exclusion**

We will not pay for loss or damage caused by freezing or thawing.

5. Realty Tax

The following is added to **A. Coverage, Paragraph 4. Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Realty Tax

- (1) We will reimburse you for the increased realty tax liability directly caused by the repair or reconstruction of damaged scheduled property caused by or resulting from direct physical damage or loss from a Covered Cause of Loss.
- (2) We will only pay for Realty tax assessments billed and assessed the earlier of within one year of the "Period of Restoration" or two years after the date of the loss at the affected scheduled location.
- (3) Reimbursement under this coverage will not extend beyond the single, one-time payment applying to the lesser of the periods shown in (2) above.
- (4) We will not pay for any of the following:
 - (a) The portion of the increases in the realty tax assessment of a scheduled location's tax rate made since the last assessment and the date of the loss.
 - (b) An increased realty tax assessment that is due to your decision to repair or reconstruct the scheduled location with:
 - (i) building configuration different, or larger building, than original design;
 - (ii) building materials other than

those of like kind and quality;
or

- (iii) buildings constructed at a different location.

- (5) Regardless of the number of insured locations affected, the most we will pay in any one "occurrence" for this additional coverage is \$75,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

- (6) The amount payable under this Additional Coverage is additional insurance.

6. Retail Anchor Store – Business Income

The following is added to **A. Coverage, Paragraph 4. Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Retail Anchor Store – Business Income

- (1) We will pay the actual loss of "business income" you sustain due to the necessary "suspension" of your "operations" during the "dependent property period of restoration". The "suspension" must be caused by direct physical loss of or damage to "retail anchor store property" caused by or resulting from any Covered Cause of Loss.
- (2) We will pay the actual and necessary "Extra Expense" you incur due to direct physical loss of or damage to "Retail Anchor Store Property" caused by or resulting from any Covered Cause of Loss.
- (3) Except as otherwise provide for, to calculate recoverable loss under this coverage, we will use the terms and provisions as set forth under the Business Income and Extra Expense coverage found elsewhere in this endorsement.
- (4) Under this Additional Coverage, Retail Anchor Store – Business Income, the definition of "Extra Expense" is defined as follows:

"Extra Expense" means necessary expenses you incur during the "dependent property period of restoration" that you would not have incurred if there had been no direct physical loss or damage to the premises of any "retail anchor store property" caused by or resulting from

a Covered Cause of Loss:

- (a) To avoid or minimize the "suspension" of business and to continue "operations"; or
 - (b) To minimize the "suspension" of business if you cannot continue "operations".
- (5) \$150,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement is the most we will pay under this Additional Coverage for loss you sustain from loss of or damage to the "retail anchor store property" after a single "occurrence".
- (a) This coverage does not apply separately to each insured location. \$100,000 is the maximum you may collect in one "occurrence" regardless of the number of insured locations involved or "retail anchor store properties" affected in an "occurrence".
 - (b) As part of your Duties In the Event of Loss or Damage, you are responsible to research, assess, present and document your claim for any loss presented under this "dependent property" coverage. As part of your documentation, you must include reliable data that permits us to verify your claim.
 - (c) "Retail anchor store property" is not "dependent property". In the event of a covered loss at "retail anchor store property", "dependent property" coverage cannot be applied in addition to the coverage afforded under "retail anchor store property".
- (6) The amount payable under this Additional Coverage is additional insurance and will end on the earlier of:
- (a) the applicable limit of insurance has been exhausted; or
 - (b) the "retail anchor store property" has been rebuilt, fully repaired or replaced with similar tenant.

7. Tenant Replacement Expense

The following is added to **A. Coverage, Paragraph 4. Additional Coverages** of Building and Personal Property Coverage Form CP 00 10:

Tenant Replacement Expense

- (1) In the event your tenants must relocate from the described premises due to untenability caused by or resulting from direct physical loss or damage by a Covered Cause of Loss, we will pay the following expenses you actually incur to replace your commercial tenant.
- (2) We will only pay for the following expenses:
 - (a) Necessary Fees and Commissions of Real Estate Brokers or Real Estate Agents; or
 - (b) Advertising and Promotional Expenses
 you pay to obtain new tenant leases.
- (3) We will only pay for these expenses that you actually incur within 60 days of the date that the damaged buildings have been repaired or rebuilt.
- (4) Regardless of the number of tenants involved, the most we will pay in any one "occurrence" is \$50,000 or the Limit of Insurance shown in the Amended Limits Section of this Endorsement.

IV. BROADENED VALUATION CLAUSE

A. E. Loss Conditions, Paragraph 7. Valuation, subparagraph a. of Building and Personal Property Coverage Form CP 00 10 is replaced by the following:

- a. At replacement cost without deduction for depreciation, except as provided otherwise in this Property Coverage Part.
- (1) You may claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim on a replacement cost basis if you notify us of your intent to do so within 180 days after the date loss or damage.
- (2) We will not pay on a replacement cost basis for any loss or damage:
 - (a) Until the lost or damaged property is actually repaired or replaced; and
 - (b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.
- (3) We will not pay more for loss or

damage on a replacement cost basis than the least of:

after the date of the "occurrence".

- (a) The Limit of Insurance applicable to the lost or damaged property;
- (b) The cost to replace, at the same location, the lost or damaged property with other property:
 - (i) Of comparable material and quality; and
 - (ii) Used for the same purpose; or
- (c) The amount you actually spend that is necessary to repair or replace the lost or damaged property – even if, when replacement is necessary, you choose to make use of other than new property to effect such replacement.

B. E. Loss Conditions, Paragraph 7. Valuation, subparagraph e. of Building and Personal Property Coverage Form CP 00 10 is replaced by the following:

e. Tenant's Improvements and Betterments at:

- (1) Actual cash value of the lost or damaged property if you make repairs promptly.
- (2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:
 - (a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - (b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.
 - (c) When a written lease does not exist, instead of the method of calculating loss shown in e.(2)(a) and (b) above, we will determine the proportionate value of the improvements and betterments as follows:
 - (i) Multiply the original cost by 365 days; and
 - (ii) Divide the amount determined in (a) above by the number of days from the installation of improvements to 365 days

- (3) If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in the procedure described in (2) above.

- (4) Nothing, if others pay for repairs or replacement.

C. The following is added to E. Loss Conditions, Paragraph 7. Valuation of Building and Personal Property Coverage Form CP 00 10:

t. The following property at actual cash value:

- (1) Used or second hand merchandise held in storage or for sale;
- (2) Household contents, except personal property in apartments or rooms furnished by you as landlord;
- (3) Manuscripts;
- (4) Works of art, "antiques" or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; and
- (5) Contractors equipment and tools

u. Lottery tickets at their initial cost to you except for winning tickets, at their redeemed present cash value.

v. Data, media and computer "software" programs. For media, at the actual costs of repairing or replacing the media with material of like kind and quality. Data and computer "software" programs at the actual cost of reproducing the data or computer "software" program, providing you actually reproduce or replace it.

w. Prepackaged "software" programs and electronic data processing equipment that cannot be replaced, at the cost of functionally equivalent "software" or "hardware".

x. "Business income", "extra expense" and "resumption of operations":

(1) The amount of "business income" loss will be determined based on:

- (a) The Net Income of the business before the direct physical loss or damage occurred;
- (b) The likely Net Income of the business if no loss or damage had occurred but not including any Net Income that would likely have been earned as a result of an

increase in the volume of business conditions due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;

- (c) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and
 - (d) Other relevant sources of information, including:
 - (i) Your financial records and accounting procedures;
 - (ii) Bills, invoices and other vouchers; and
 - (iii) Deeds, liens or contracts.
- (2) The amount of "extra expense" will be determined based on:
- (a) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:
 - (i) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
 - (ii) Any "extra expense" that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
 - (b) All necessary expenses that reduce the "business income" loss that otherwise would have been incurred.
- (3) Resumption of Operations
- We will reduce the amount of your:
- (a) "Business income" loss, other than "extra expense", to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or "stock")

at an insured location or elsewhere.

- (b) "Extra expense" loss to the extent you can return "operations" to normal and discontinue such "extra expense".

If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

V. DEFINITIONS

A. The following is added to Paragraph H. of Building and Personal Property Coverage Form CP 00 10:

H. Definitions

1. "Business income" means:

- a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred if no physical loss or damage had occurred; and
- b. Continuing normal operating expenses incurred, including payroll.

2. "Period of restoration" means the period of time that:

- a. Begins immediately after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at an insured location; and
- b. Ends on the earlier of:
 - (1) The date when the property at an insured location should be repaired, rebuilt or replaced to a condition permitting occupancy with reasonable speed and similar quality; or
 - (2) The date when business is resumed at a new permanent location.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:

- c. Regulates the construction, use or repair, or requires the tearing down of any property; or
- d. Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or

neutralize, or in any way, respond to, or assess the effects of "pollutants".

3. "Retail Anchor Store Property" means a retail establishment occupying an area in, or directly adjacent and within 1000 feet to, a scheduled location that you depend on to serve as a general attraction to that scheduled location and, without which, the number of shoppers coming and going would be significantly lower.
4. "Suspension" means:
 - a. The slowdown or cessation of your business activities; or
 - b. That a part of all of an insured location is rendered untenable, if coverage for "Business Income" including "Rental Value" or "Rental Value" applies.

B. SECTION V. – DEFINITIONS, Paragraph H. Definitions, subparagraphs 9. "Dependent Property" and 10. "Dependent property period of restoration" of Bronze/Silver/Gold/Platinum Property Broadening Endorsement are replaced by the following:

9. "Dependent property" means property operated by others whom you depend on to:
 - a. Deliver materials or services to you, or to others for your account;
 - b. Accept your products or services;
 - c. Manufacture products for delivery to your customers under contract of sale; or
 - d. Attract customers to your business. This applies only to damaged or destroyed property of others:
 - (1) Located at the same premises (grounds) as those shown in the Declarations; and
 - (2) That serves as a leader location - attracting customers to the

premises; but;

This coverage does not apply to leader locations used at any time for exhibitions, trade shows, conventions, fairs or similar events. EXAMPLE: Leader Location: A large department store (anchor store) at a shopping mall that serves as a general attraction to the premises and without which, the number of shoppers coming and going would be significantly lower - customers would go elsewhere to shop.

10. "Dependent property period of restoration" means the period of time that:
 - a. Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises of the "dependent property" or "retail anchor store property"; and
 - b. Ends on the date when the property at the premises of the "dependent property" "retail anchor store property" should have been repaired, rebuilt or replaced to a condition permitting occupancy with reasonable speed and similar quality.

"Dependent property period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:

- c. Regulates the construction, use or repair, or requires the tearing down of any property; or
- d. Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "dependent property period of restoration".

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

- A. The following is added as an Additional Coverage to the **Causes of Loss – Basic Form, Broad Form or Special Form**.

Additional Coverage- Equipment Breakdown

The term Covered Cause of Loss includes the Additional Coverage Equipment Breakdown as described and limited below.

1. We will pay for direct physical damage to Covered Property that is the direct result of an "accident". As used in this Additional Coverage, "accident" means a fortuitous event that causes direct physical damage to "covered equipment". The event must be one of the following:
 - a. mechanical breakdown, including rupture or bursting caused by centrifugal force;
 - b. artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires;
 - c. explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control;
 - d. loss or damage to steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment; or
 - e. loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment.
2. Unless otherwise shown in a Schedule, the following coverages also apply to the direct result of an "accident." These coverages do not

provide additional amounts of insurance.

a. Expediting Expenses

With respect to your Covered Property, we will pay up to \$100,000 unless otherwise shown in a Schedule, the reasonable extra cost to:

- (1) make temporary repairs; and
- (2) expedite permanent repairs or permanent replacement.

b. Hazardous Substances

We will pay for the additional cost to repair or replace Covered Property because of contamination by a "hazardous substance." This includes the additional expenses to clean up or dispose of such property. This does not include contamination of "perishable goods" by refrigerant, including but not limited to ammonia, which is addressed in **2.c.(1)(b)** below. As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown Coverage had no "hazardous substance" been involved.

The most we will pay for loss, damage or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, is \$100,000 unless otherwise shown in a Schedule.

c. Spoilage

- (1) We will pay for:
- (a) physical damage to "perishable goods" due to spoilage;
 - (b) physical damage to "perishable goods" due to contamination from the release of refrigerant, including but not limited to ammonia;
 - (c) any necessary expenses you incur to reduce the amount of loss under this coverage to the extent they do not exceed the amount of loss that otherwise would have been payable under this coverage.
- (2) If you are unable to replace the "perishable goods" before its anticipated sale, the amount of our payment will be determined on the basis of the sales price of the "perishable goods" at the time of the "accident," less discounts and expenses you otherwise would have had. Otherwise our payment will be determined in accordance with the Valuation condition.

The most we will pay for loss, damage or expense under this coverage is \$100,000 unless otherwise shown in a Schedule.

d. Data Restoration

We will pay for your reasonable and necessary cost to research, replace and restore lost "data." The most we will pay for loss, damage or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, is \$100,000 unless otherwise shown in a Schedule.

e. Service Interruption

- (1) Any insurance provided for Business Income, Extra Expense or Spoilage is

extended to apply to your loss, damage or expense caused by an "accident" to equipment that is owned by a utility, landlord or other supplier with whom you have a contract to supply you with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, internet access, telecommunications services, wide area networks or data transmission. The equipment must meet the definition of "covered equipment" except that it is not Covered Property.

- (2) Unless otherwise shown in a Schedule, Service Interruption coverage will not apply unless the failure or disruption of service exceeds 24 hours immediately following the "accident".

- (3) The most we will pay for loss, damage or expense under this coverage is the limit that applies to Business Income, Extra Expense or Spoilage, except that if a limit is shown in a Schedule for Service Interruption, that limit will apply to Business Income and Extra Expense loss under this coverage.

f. Business Income and Extra Expense

Any insurance provided under this coverage part for Business Income or Extra Expense is extended to the coverage provided by this endorsement. The most we will pay for loss of Business Income you sustain or necessary Extra Expense you incur is the limit shown in the Declarations for that coverage, unless otherwise shown in a Schedule.

g. Mold

- (1) The coverage described below applies only if all reasonable means were used to save and preserve the property from further damage at the time of and after the "accident."
- (2) We will pay for loss, damage or expense caused by "mold," only when "mold" is the direct result of an "accident" that occurs during the policy period. As used in this coverage, the term loss or damage means:
 - (a) Direct physical loss or damage to Covered Property caused by "mold" including the cost of removal of the "mold";
 - (b) The cost to tear out and replace any Covered Property as needed to gain access to the "mold"; and
 - (c) The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "mold" is present.
- (3) The most we will pay for loss, damage or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, is \$15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss, damage or expense arising out of all "accidents" to "covered equipment" which take place within the 12-month

period (starting with the beginning of the present annual policy period). With respect to a particular "accident" which results in "mold", we will not pay more than a total of \$15,000 even if the "mold" continues to be present or active, or recurs, in a later policy period.

3. EXCLUSIONS

All exclusions in the Causes of Loss form apply except as modified below and to the extent that coverage is specifically provided by this Additional Coverage Equipment Breakdown.

a. The exclusions are modified as follows:

- (1) If the Causes of Loss- Basic Form or Causes of Loss- Broad Form applies, the following is added to **Exclusion B.2.:** Depletion, deterioration, corrosion, erosion, wear and tear or other gradually developing conditions. But if an "accident" results, we will pay for resulting loss, damage or expense.
- (2) The following is added to **Exclusion B.1.g.:** However, if electrical "covered equipment" requires drying out because of Water as described in **g.(1) through g.(3)** above, we will pay for the direct expenses of such drying out subject to the applicable Limit of Insurance and deductible for Building or Business Personal Property, whichever applies.
- (3) If the Causes of Loss- Special Form applies, as respects this endorsement only, the last paragraph of **Exclusion B.2.d.** is deleted and replaced with the following:
But if an excluded cause of loss that is listed in **2.d.(1) through (7)** results in an

- “accident”, we will pay for the loss, damage or expense caused by that “accident”.
- b. We will not pay under this endorsement for loss, damage or expense caused by or resulting from:
- (1) Your failure to use all reasonable means to protect Covered Property from damage following an “accident”;
 - (2) any defect, programming error, programming limitation, computer virus, malicious code, loss of “data,” loss of access, loss of use, loss of functionality or other condition within or involving “data” or “media” of any kind. But if an “accident” results, we will pay for the resulting loss, damage or expense; or
 - (3) any of the following tests:
 - (a) a hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel; or
 - (b) an electrical insulation breakdown test of any type of electrical equipment.
- c. With respect to Service Interruption coverage, we will also not pay for an “accident” caused by or resulting from: fire; lightning; windstorm; or hail; explosion (except as specifically provided in A.1.c. above); smoke, aircraft or vehicles; riot or civil commotion; vandalism; sprinkler leakage; falling objects; weight of snow, ice or sleet; freezing; collapse; flood or earth movement.
- d. With respect to Business Income Extra Expense and Service Interruption coverages, we will also not pay for:
- (1) Loss caused by your failure to use due diligence and dispatch and all reasonable means to resume business; or
 - (2) Any increase in loss resulting from an agreement between you and your customer or supplier.
- e. We will not pay for loss, damage or expense caused directly or indirectly by the following, whether or not caused by or resulting from an “accident”: The presence, growth, proliferation, spread or activity of “mold.” This includes, but is not limited to, costs arising from clean up, removal, or abatement of such “mold.” However, if “mold” results in an “accident”, we will pay the resulting loss, damage or expense caused by that “accident.” This exclusion does not apply:
- (1) to spoilage of personal property that is “perishable goods,” to the extent that spoilage is covered under Spoilage coverage; or
 - (2) to the extent that coverage is provided under Mold coverage.
- f. We will not pay under this endorsement for any loss or damage to animals, land (including land on which the property is located) or lawns.
- 4. DEFINITIONS**
- The following definitions are added:
- a. “Boilers and vessels” means:
- (1) Any boiler including attached steam, condensate and feedwater piping; and
 - (2) Any fired or unfired pressure vessel subject to a vacuum or internal pressure other than the static pressure of its contents.
- This term does not appear elsewhere in this endorsement, but may appear in a Schedule.
- b. “Covered Equipment”
- (1) “Covered Equipment” means, unless specified in a Schedule, Covered Property:
 - (a) that generates, transmits or utilizes

- energy, including electronic communications and data processing equipment; or
 - (b) which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.
 - (2) None of the following is "Covered Equipment":
 - (a) structure, foundation, cabinet, compartment or air supported structure or building;
 - (b) insulation or refractory material;
 - (c) sewer piping, underground vessels or piping, or piping forming a part of a sprinkler system;
 - (d) water piping other than boiler feedwater piping, boiler condensate return piping or water piping forming as part of a refrigerating or air conditioning system;
 - (e) "vehicle" or any equipment mounted on a "vehicle";
 - (f) satellite, spacecraft or any equipment mounted on a satellite or spacecraft;
 - (g) dragline, excavation or construction equipment; or
 - (h) equipment manufactured by you for sale.
 - c. "Data" means information or instructions stored in digital code capable of being processed by machinery.
 - d. "Hazardous substance" means any substance that is hazardous to health or has been declared to be hazardous to health by a governmental agency.
 - e. "Media" means material on which "data" is recorded, such as magnetic tapes, hard disks, optical disks or floppy disks.
 - f. "Mold" means any mold, fungus, mildew or yeast, including any spores or toxins produced by or emanating from such mold, fungus, mildew or yeast.
 - g. "One accident" means: if an initial "accident" causes other "accidents", all will be considered "one accident". All "accidents" that are the result of the same event will be considered "one accident".
 - h. "Perishable goods" means personal property maintained under controlled conditions for its preservation, and susceptible to loss or damage if the controlled conditions change.
 - i. "Production machinery" means any machine or apparatus that processes or produces a product intended for eventual sale. However, "production machinery" does not mean any fired or unfired pressure vessel other than a cylinder containing a movable plunger or piston. This term does not appear elsewhere in this endorsement, but may appear in a Schedule.
 - j. "Vehicle" means, as respects this endorsement only, any machine or apparatus that is used for transportation or moves under its own power. "Vehicle" includes, but is not limited to, car, truck, bus, trailer, train, aircraft, watercraft, forklift, bulldozer, tractor or harvester. However, any property that is stationary, permanently installed at a covered location and that receives electrical power from an external power source will not be considered a "vehicle".
- B. The Building and Personal Property Coverage Form is modified as follows. The definitions stated above apply to Section B. of this endorsement.**
- 1. DEDUCTIBLE**
- The deductible in the Declarations applies unless a separate Equipment Breakdown deductible is shown in a Schedule. If a separate

Equipment Breakdown Deductible is shown, the following applies:
Only as regards Equipment Breakdown Coverage, provision D., **DEDUCTIBLE** is deleted and replaced with the following:

a. Deductibles for Each Coverage

- (1) Unless the Schedule indicates that your deductible is combined for all coverages, multiple deductibles may apply to any "one accident".
- (2) We will not pay for loss, damage or expense under any coverage until the amount of the covered loss, damage or expense exceeds the deductible amount indicated for that coverage in the Schedule. We will then pay the amount of loss, damage or expense in excess of the applicable deductible amount, subject to the applicable limit.
- (3) If deductibles vary by type of "covered equipment" and more than one type of "covered equipment" is involved in any "one accident", only the highest deductible for each coverage will apply.

b. Direct and Indirect Coverages

- (1) Direct Coverages
Deductibles and Indirect Coverage Deductibles may be indicated in the Schedule.
- (2) Unless more specifically indicated in the Schedule:
 - (a) Indirect Coverages
Deductibles apply to Business Income and Extra Expense loss; and
 - (b) Direct Coverages
Deductibles apply to all remaining loss, damage or expense covered by this endorsement.

c. Application of Deductibles

- (1) **Dollar Deductibles**
We will not pay for loss, damage or expense

resulting from any "one accident" until the amount of loss, damage or expense exceeds the applicable Deductible shown in the Schedule. We will then pay the amount of loss, damage or expense in excess of the applicable Deductible or Deductibles, up to the applicable Limit of Insurance.

(2) Time Deductible

If a time deductible is shown in the Schedule, we will not be liable for any loss occurring during the specified number of hours or days immediately following the "accident." If a time deductible is expressed in days, each day shall mean twenty-four consecutive hours.

(3) Multiple of Average Daily Value (ADV)

If a deductible is expressed as a number times ADV, that amount will be calculated as follows:
The ADV (Average Daily Value) will be the Business Income (as defined in any Business Income coverage that is part of this policy) that would have been earned during the period of interruption of business had no "accident" occurred, divided by the number of working days in that period. No reduction shall be made for the Business Income not being earned, or in the number of working days, because of the "accident" or any other scheduled or unscheduled shutdowns during the period of interruption. The ADV applies to the Business Income value of the entire location, whether or not the loss affects the entire location. If more than one location

is included in the valuation of the loss, the ADV will be the combined value of all affected locations. For purposes of this calculation, the period of interruption may not extend beyond the period of restoration. The number indicated in the Schedule will be multiplied by the ADV as determined above. The result shall be used as the applicable deductible.

(4) Percentage of Loss Deductibles

If a deductible is expressed as a percentage of loss, we will not be liable for the indicated percentage of the gross amount of loss, damage or expense (prior to any applicable deductible or coinsurance) insured under the applicable coverage. If the dollar amount of such percentage is less than the indicated minimum deductible, the minimum deductible will be the applicable deductible.

2. CONDITIONS

The following conditions are in addition to the **Conditions** in the Building and Personal Property Coverage Form and the Common Policy Conditions.

a. Suspension

Whenever "covered equipment" is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss from an "accident" to the "covered equipment". This can be done by mailing or delivering a written notice of suspension to:

- (1) Your last known address; or
- (2) The address where the "covered equipment" is located.

Once suspended in this way, your insurance can be

reinstated only by an endorsement for that "covered equipment". If we suspend your insurance, you will get a pro rata refund of premium for that "covered equipment" for the period of suspension. But the suspension will be effective even if we have not yet made or offered a refund.

b. Jurisdictional Inspections

If any property that is "covered equipment" under this endorsement requires inspection to comply with state or municipal boiler and pressure vessel regulations, we agree to perform such inspection on your behalf. We do not warrant that conditions are safe or healthful.

c. Environmental, Safety and Efficiency Improvements

If "covered equipment" requires replacement due to an "accident", we will pay your additional cost to replace with equipment that is better for the environment, safer or more efficient than the equipment being replaced. However, we will not pay more than 125% of what the cost would have been to repair or replace with like kind and quality. This condition does not increase any of the applicable limits. This condition does not apply to any property to which Actual Cash Value applies.

d. Coinsurance

If a coinsurance percentage is shown in a Schedule for specified coverages, the following condition applies:

- (1) We will not pay for the full amount of your loss if the applicable limit is less than the product of the specified coinsurance percentage times the value of the property subject to the coverage at the time of the loss. Instead, we will determine what percentage this calculated product is compared to the applicable

limit and apply that percentage to the gross amount of the loss. We will then subtract the applicable deductible. The resulting amount, or the applicable limit, is the most we will pay. We will not pay for the remainder of the loss. Coinsurance applies separately to each insured location. The most we will pay for loss, damage or expense under this endorsement arising from any "one accident" is the applicable Limit of Insurance in the Declarations unless otherwise shown in a Schedule. Coverage provided under this endorsement does not provide an additional amount of insurance.

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section H. Definitions.

A. Coverage

We will pay for direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.

1. Covered Property

Covered Property, as used in this Coverage Part, means the type of property described in this section, **A.1.**, and limited in **A.2.** Property Not Covered, if a Limit Of Insurance is shown in the Declarations for that type of property.

a. Building, meaning the building or structure described in the Declarations, including:

- (1) Completed additions;
- (2) Fixtures, including outdoor fixtures;
- (3) Permanently installed:
 - (a) Machinery; and
 - (b) Equipment;
- (4) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:
 - (a) Fire-extinguishing equipment;
 - (b) Outdoor furniture;
 - (c) Floor coverings; and
 - (d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- (5) If not covered by other insurance:
 - (a) Additions under construction, alterations and repairs to the building or structure;
 - (b) Materials, equipment, supplies and temporary structures, on or within 100 feet of the described premises, used for making additions, alterations or repairs to the building or structure.

b. Your Business Personal Property consists of the following property located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the building or structure or within 100 feet of the premises described in the Declarations, whichever distance is greater:

- (1) Furniture and fixtures;
- (2) Machinery and equipment;
- (3) "Stock";
- (4) All other personal property owned by you and used in your business;
- (5) Labor, materials or services furnished or arranged by you on personal property of others;
- (6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
 - (a) Made a part of the building or structure you occupy but do not own; and
 - (b) You acquired or made at your expense but cannot legally remove;
- (7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property Of Others.

c. Personal Property Of Others that is:

- (1) In your care, custody or control; and
- (2) Located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the building or structure or within 100 feet of the premises described in the Declarations, whichever distance is greater.

However, our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

2. Property Not Covered

Covered Property does not include:

- a. Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;
- b. Animals, unless owned by others and boarded by you, or if owned by you, only as "stock" while inside of buildings;
- c. Automobiles held for sale;
- d. Bridges, roadways, walks, patios or other paved surfaces;
- e. Contraband, or property in the course of illegal transportation or trade;
- f. The cost of excavations, grading, backfilling or filling;
- g. Foundations of buildings, structures, machinery or boilers if their foundations are below:
 - (1) The lowest basement floor; or
 - (2) The surface of the ground, if there is no basement;
- h. Land (including land on which the property is located), water, growing crops or lawns (other than lawns which are part of a vegetated roof);
- i. Personal property while airborne or waterborne;
- j. Bulkheads, pilings, piers, wharves or docks;
- k. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
- l. Retaining walls that are not part of a building;
- m. Underground pipes, flues or drains;
- n. Electronic data, except as provided under the Additional Coverage, Electronic Data. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data. This paragraph, **n.**, does not apply to your "stock" of prepackaged software, or to electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system;
- o. The cost to replace or restore the information on valuable papers and records, including those which exist as electronic data. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. Refer to the Coverage Extension for Valuable Papers And Records (Other Than Electronic Data) for limited coverage for valuable papers and records other than those which exist as electronic data;
- p. Vehicles or self-propelled machines (including aircraft or watercraft) that:
 - (1) Are licensed for use on public roads; or
 - (2) Are operated principally away from the described premises.

This paragraph does not apply to:

 - (a) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;

- (b) Vehicles or self-propelled machines, other than autos, you hold for sale;
 - (c) Rowboats or canoes out of water at the described premises; or
 - (d) Trailers, but only to the extent provided for in the Coverage Extension for Non-owned Detached Trailers; or
- q. The following property while outside of buildings:
- (1) Grain, hay, straw or other crops;
 - (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), all except as provided in the Coverage Extensions.

3. Covered Causes Of Loss

See applicable Causes Of Loss form as shown in the Declarations.

4. Additional Coverages

a. Debris Removal

- (1) Subject to Paragraphs (2), (3) and (4), we will pay your expense to remove debris of Covered Property and other debris that is on the described premises, when such debris is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.
 - (2) Debris Removal does not apply to costs to:
 - (a) Remove debris of property of yours that is not insured under this policy, or property in your possession that is not Covered Property;
 - (b) Remove debris of property owned by or leased to the landlord of the building where your described premises are located, unless you have a contractual responsibility to insure such property and it is insured under this policy;
 - (c) Remove any property that is Property Not Covered, including property addressed under the Outdoor Property Coverage Extension;
 - (d) Remove property of others of a type that would not be Covered Property under this Coverage Form;
 - (e) Remove deposits of mud or earth from the grounds of the described premises;
 - (f) Extract "pollutants" from land or water; or
 - (g) Remove, restore or replace polluted land or water.
- (3) Subject to the exceptions in Paragraph (4), the following provisions apply:
- (a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
 - (b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage. However, if no Covered Property has sustained direct physical loss or damage, the most we will pay for removal of debris of other property (if such removal is covered under this Additional Coverage) is \$5,000 at each location.
- (4) We will pay up to an additional \$25,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:
- (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
 - (b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if (4)(a) and/or (4)(b) applies, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$25,000.

(5) Examples

The following examples assume that there is no Coinsurance penalty.

Example 1

Limit of Insurance:	\$ 90,000
Amount of Deductible:	\$ 500
Amount of Loss:	\$ 50,000
Amount of Loss Payable:	\$ 49,500
	(\$50,000 – \$500)

Debris Removal Expense:	\$ 10,000
Debris Removal Expense Payable:	\$ 10,000

(\$10,000 is 20% of \$50,000.)

The debris removal expense is less than 25% of the sum of the loss payable plus the deductible. The sum of the loss payable and the debris removal expense (\$49,500 + \$10,000 = \$59,500) is less than the Limit of Insurance. Therefore, the full amount of debris removal expense is payable in accordance with the terms of Paragraph (3).

Example 2

Limit of Insurance:	\$ 90,000
Amount of Deductible:	\$ 500
Amount of Loss:	\$ 80,000
Amount of Loss Payable:	\$ 79,500
	(\$80,000 – \$500)

Debris Removal Expense:	\$ 40,000
Debris Removal Expense Payable	
Basic Amount:	\$ 10,500
Additional Amount:	\$ 25,000

The basic amount payable for debris removal expense under the terms of Paragraph (3) is calculated as follows: \$80,000 (\$79,500 + \$500) x .25 = \$20,000, capped at \$10,500. The cap applies because the sum of the loss payable (\$79,500) and the basic amount payable for debris removal expense (\$10,500) cannot exceed the Limit of Insurance (\$90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph (4), because the debris removal expense (\$40,000) exceeds 25% of the loss payable plus the deductible (\$40,000 is 50% of \$80,000), and because the sum of the loss payable and debris removal expense (\$79,500 + \$40,000 = \$119,500) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$25,000, the maximum payable under Paragraph (4). Thus, the total payable for debris removal expense in this example is \$35,500; \$4,500 of the debris removal expense is not covered.

b. Preservation Of Property

If it is necessary to move Covered Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the loss or damage occurs within 30 days after the property is first moved.

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$1,000 for service at each premises described in the Declarations, unless a higher limit is shown in the Declarations. Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

This Additional Coverage applies to your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

No Deductible applies to this Additional Coverage.

b. Personal Effects And Property Of Others

You may extend the insurance that applies to Your Business Personal Property to apply to:

- (1) Personal effects owned by you, your officers, your partners or members, your managers or your employees. This Extension does not apply to loss or damage by theft.
- (2) Personal property of others in your care, custody or control.

The most we will pay for loss or damage under this Extension is \$2,500 at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

c. Valuable Papers And Records (Other Than Electronic Data)

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records for which duplicates do not exist. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered, Electronic Data.
- (2) If the Causes Of Loss – Special Form applies, coverage under this Extension is limited to the "specified causes of loss" as defined in that form and Collapse as set forth in that form.
- (3) If the Causes Of Loss – Broad Form applies, coverage under this Extension includes Collapse as set forth in that form.
- (4) Under this Extension, the most we will pay to replace or restore the lost information is \$2,500 at each described premises, unless a higher limit is shown in the Declarations. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist) and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and, therefore, coverage of such costs is not additional insurance.

d. Property Off-premises

- (1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises, if it is:
 - (a) Temporarily at a location you do not own, lease or operate;
 - (b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
 - (c) At any fair, trade show or exhibition.
- (2) This Extension does not apply to property:
 - (a) In or on a vehicle; or
 - (b) In the care, custody or control of your salespersons, unless the property is in such care, custody or control at a fair, trade show or exhibition.
- (3) The most we will pay for loss or damage under this Extension is \$10,000.

e. Outdoor Property

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, radio and television antennas (including satellite dishes), trees, shrubs and plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Riot or Civil Commotion; or
- (5) Aircraft.

The most we will pay for loss or damage under this Extension is \$1,000, but not more than \$250 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

Subject to all aforementioned terms and limitations of coverage, this Coverage Extension includes the expense of removing from the described premises the debris of trees, shrubs and plants which are the property of others, except in the situation in which you are a tenant and such property is owned by the landlord of the described premises.

f. Non-owned Detached Trailers

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:
 - (a) The trailer is used in your business;
 - (b) The trailer is in your care, custody or control at the premises described in the Declarations; and
 - (c) You have a contractual responsibility to pay for loss or damage to the trailer.
- (2) We will not pay for any loss or damage that occurs:
 - (a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;
 - (b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.
- (3) The most we will pay for loss or damage under this Extension is \$5,000, unless a higher limit is shown in the Declarations.
- (4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

g. Business Personal Property Temporarily In Portable Storage Units

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to such property while temporarily stored in a portable storage unit (including a detached trailer) located within 100 feet of the building or structure described in the Declarations or within 100 feet of the premises described in the Declarations, whichever distance is greater.

- (2) If the applicable Covered Causes of Loss form or endorsement contains a limitation or exclusion concerning loss or damage from sand, dust, sleet, snow, ice or rain to property in a structure, such limitation or exclusion also applies to property in a portable storage unit.
- (3) Coverage under this Extension:
 - (a) Will end 90 days after the business personal property has been placed in the storage unit;
 - (b) Does not apply if the storage unit itself has been in use at the described premises for more than 90 consecutive days, even if the business personal property has been stored there for 90 or fewer days as of the time of loss or damage.
- (4) Under this Extension, the most we will pay for the total of all loss or damage to business personal property is \$10,000 (unless a higher limit is indicated in the Declarations for such Extension) regardless of the number of storage units. Such limit is part of, not in addition to, the applicable Limit of Insurance on Your Business Personal Property. Therefore, payment under this Extension will not increase the applicable Limit of Insurance on Your Business Personal Property.
- (5) This Extension does not apply to loss or damage otherwise covered under this Coverage Form or any endorsement to this Coverage Form or policy, and does not apply to loss or damage to the storage unit itself.

Each of these Extensions is additional insurance unless otherwise indicated. The Additional Condition, Coinsurance, does not apply to these Extensions.

B. Exclusions And Limitations

See applicable Causes Of Loss form as shown in the Declarations.

C. Limits Of Insurance

The most we will pay for loss or damage in any one occurrence is the applicable Limit Of Insurance shown in the Declarations.

The most we will pay for loss or damage to outdoor signs, whether or not the sign is attached to a building, is \$2,500 per sign in any one occurrence.

The amounts of insurance stated in the following Additional Coverages apply in accordance with the terms of such coverages and are separate from the Limit(s) Of Insurance shown in the Declarations for any other coverage:

1. Fire Department Service Charge;
2. Pollutant Clean-up And Removal;
3. Increased Cost Of Construction; and
4. Electronic Data.

Payments under the Preservation Of Property Additional Coverage will not increase the applicable Limit of Insurance.

D. Deductible

In any one occurrence of loss or damage (hereinafter referred to as loss), we will first reduce the amount of loss if required by the Coinsurance Condition or the Agreed Value Optional Coverage. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of loss and will pay the resulting amount or the Limit of Insurance, whichever is less.

When the occurrence involves loss to more than one item of Covered Property and separate Limits of Insurance apply, the losses will not be combined in determining application of the Deductible. But the Deductible will be applied only once per occurrence.

Example 1

(This example assumes there is no Coinsurance penalty.)

Deductible:	\$ 250
Limit of Insurance – Building 1:	\$ 60,000
Limit of Insurance – Building 2:	\$ 80,000
Loss to Building 1:	\$ 60,100
Loss to Building 2:	\$ 90,000

The amount of loss to Building 1 (\$60,100) is less than the sum (\$60,250) of the Limit of Insurance applicable to Building 1 plus the Deductible.

The Deductible will be subtracted from the amount of loss in calculating the loss payable for Building 1:

$$\begin{array}{r} \$ 60,100 \\ - \quad 250 \\ \hline \end{array}$$

\$ 59,850 Loss Payable – Building 1

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of loss payable for Building 2. Loss payable for Building 2 is the Limit of Insurance of \$80,000.

Total amount of loss payable:

$$\$59,850 + \$80,000 = \$139,850$$

Example 2

(This example, too, assumes there is no Coinsurance penalty.)

The Deductible and Limits of Insurance are the same as those in Example 1.

Loss to Building 1:	\$ 70,000
(Exceeds Limit of Insurance plus Deductible)	
Loss to Building 2:	\$ 90,000
(Exceeds Limit of Insurance plus Deductible)	
Loss Payable – Building 1:	\$ 60,000
(Limit of Insurance)	
Loss Payable – Building 2:	\$ 80,000
(Limit of Insurance)	
Total amount of loss payable:	\$ 140,000

E. Loss Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

1. Abandonment

There can be no abandonment of any property to us.

2. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

3. Duties In The Event Of Loss Or Damage

- a. You must see that the following are done in the event of loss or damage to Covered Property:

- (1) Notify the police if a law may have been broken.

- (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when and where the loss or damage occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
- (5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
- (6) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.
Also, permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
- (7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (8) Cooperate with us in the investigation or settlement of the claim.
- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

4. Loss Payment

- a. In the event of loss or damage covered by this Coverage Form, at our option, we will either:
 - (1) Pay the value of lost or damaged property;
 - (2) Pay the cost of repairing or replacing the lost or damaged property, subject to b. below;
 - (3) Take all or any part of the property at an agreed or appraised value; or
 - (4) Repair, rebuild or replace the property with other property of like kind and quality, subject to b. below.

We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of the Valuation Condition in this Coverage Form or any applicable provision which amends or supersedes the Valuation Condition.
- b. The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.
- c. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- d. We will not pay you more than your financial interest in the Covered Property.
- e. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- f. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- g. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part, and:
 - (1) We have reached agreement with you on the amount of loss; or
 - (2) An appraisal award has been made.

h. A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable policy provisions including Limits of Insurance, the Valuation and Coinsurance Conditions and all other provisions of this Loss Payment Condition. Our payment under the provisions of this paragraph does not alter any right of subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of the Transfer Of Rights Of Recovery Against Others To Us Condition in this policy.

5. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

6. Vacancy

a. Description Of Terms

(1) As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in (1)(a) and (1)(b) below:

(a) When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.

(b) When this policy is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:

(i) Rented to a lessee or sublessee and used by the lessee or sublessee to conduct its customary operations; and/or

(ii) Used by the building owner to conduct customary operations.

(2) Buildings under construction or renovation are not considered vacant.

b. Vacancy Provisions

If the building where loss or damage occurs has been vacant for more than 60 consecutive days before that loss or damage occurs:

(1) We will not pay for any loss or damage caused by any of the following, even if they are Covered Causes of Loss:

(a) Vandalism;

(b) Sprinkler leakage, unless you have protected the system against freezing;

(c) Building glass breakage;

(d) Water damage;

(e) Theft; or

(f) Attempted theft.

(2) With respect to Covered Causes of Loss other than those listed in b.(1)(a) through b.(1)(f) above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

7. Valuation

We will determine the value of Covered Property in the event of loss or damage as follows:

a. At actual cash value as of the time of loss or damage, except as provided in b., c., d. and e. below.

b. If the Limit of Insurance for Building satisfies the Additional Condition, Coinsurance, and the cost to repair or replace the damaged building property is \$2,500 or less, we will pay the cost of building repairs or replacement.

The cost of building repairs or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

However, the following property will be valued at the actual cash value, even when attached to the building:

- (1) Awnings or floor coverings;
- (2) Appliances for refrigerating, ventilating, cooking, dishwashing or laundering; or
- (3) Outdoor equipment or furniture.
- c. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.
- d. Glass at the cost of replacement with safety-glazing material if required by law.
- e. Tenants' Improvements and Betterments at:
 - (1) Actual cash value of the lost or damaged property if you make repairs promptly.
 - (2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:
 - (a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - (b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.
 - (3) Nothing if others pay for repairs or replacement.

F. Additional Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

1. Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies:

- a. We will not pay the full amount of any loss if the value of Covered Property at the time of loss times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for the property.

Instead, we will determine the most we will pay using the following steps:

- (1) Multiply the value of Covered Property at the time of loss by the Coinsurance percentage;
- (2) Divide the Limit of Insurance of the property by the figure determined in Step (1);
- (3) Multiply the total amount of loss, before the application of any deductible, by the figure determined in Step (2); and
- (4) Subtract the deductible from the figure determined in Step (3).

We will pay the amount determined in Step (4) or the Limit of Insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

Example 1 (Underinsurance)

When: The value of the property is: \$ 250,000
 The Coinsurance percentage for it is: 80%
 The Limit of Insurance for it is: \$ 100,000
 The Deductible is: \$ 250
 The amount of loss is: \$ 40,000

Step (1): $\$250,000 \times 80\% = \$200,000$
 (the minimum amount of insurance to meet your Coinsurance requirements)

Step (2): $\$100,000 \div \$200,000 = .50$

Step (3): $\$40,000 \times .50 = \$20,000$

Step (4): $\$20,000 - \$250 = \$19,750$

We will pay no more than \$19,750. The remaining \$20,250 is not covered.

Example 2 (Adequate Insurance)

When: The value of the property is: \$ 250,000
 The Coinsurance percentage for it is: 80%
 The Limit of Insurance for it is: \$ 200,000
 The Deductible is: \$ 250
 The amount of loss is: \$ 40,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 ($\$250,000 \times 80\%$). Therefore, the Limit of Insurance in this example is adequate, and no penalty applies. We will pay no more than \$39,750 ($\$40,000$ amount of loss minus the deductible of \$250).

- b. If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

Example 3

When: The value of the property is:

Building at Location 1:	\$ 75,000
Building at Location 2:	\$ 100,000
Personal Property at Location 2:	<u>\$ 75,000</u>
	\$ 250,000

The Coinsurance percentage
for it is: 90%

The Limit of Insurance for
Buildings and Personal Property
at Locations 1 and 2 is: \$ 180,000

The Deductible is: \$ 1,000

The amount of loss is:

Building at Location 2:	\$ 30,000
Personal Property at Location 2:	<u>\$ 20,000</u>
	\$ 50,000

Step (1): $\$250,000 \times 90\% = \$225,000$
(the minimum amount of insurance to
meet your Coinsurance requirements
and to avoid the penalty shown below)

Step (2): $\$180,000 \div \$225,000 = .80$

Step (3): $\$50,000 \times .80 = \$40,000$

Step (4): $\$40,000 - \$1,000 = \$39,000$

We will pay no more than \$39,000. The remaining \$11,000 is not covered.

2. Mortgageholders

- The term mortgageholder includes trustee.
- We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.
- The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
- If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:
 - (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;

- (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

All of the terms of this Coverage Part will then apply directly to the mortgageholder.

- If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:
 - (1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
 - (2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

- If we cancel this policy, we will give written notice to the mortgageholder at least:
 - (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

G. Optional Coverages

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item:

1. Agreed Value

- The Additional Condition, Coinsurance, does not apply to Covered Property to which this Optional Coverage applies. We will pay no more for loss of or damage to that property than the proportion that the Limit of Insurance under this Coverage Part for the property bears to the Agreed Value shown for it in the Declarations.

- b. If the expiration date for this Optional Coverage shown in the Declarations is not extended, the Additional Condition, Coinsurance, is reinstated and this Optional Coverage expires.
- c. The terms of this Optional Coverage apply only to loss or damage that occurs:
 - (1) On or after the effective date of this Optional Coverage; and
 - (2) Before the Agreed Value expiration date shown in the Declarations or the policy expiration date, whichever occurs first.

2. Inflation Guard

- a. The Limit of Insurance for property to which this Optional Coverage applies will automatically increase by the annual percentage shown in the Declarations.
- b. The amount of increase will be:
 - (1) The Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance, times
 - (2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), times
 - (3) The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

Example

If: The applicable Limit of Insurance is: \$ 100,000
 The annual percentage increase is: 8%
 The number of days since the beginning of the policy year (or last policy change) is: 146
 The amount of increase is:
 $\$100,000 \times .08 \times 146 \div 365 =$ \$ 3,200

3. Replacement Cost

- a. Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Valuation Loss Condition of this Coverage Form.
- b. This Optional Coverage does not apply to:
 - (1) Personal property of others;
 - (2) Contents of a residence;
 - (3) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; or

- (4) "Stock", unless the Including "Stock" option is shown in the Declarations.

Under the terms of this Replacement Cost Optional Coverage, tenants' improvements and betterments are not considered to be the personal property of others.

- c. You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim for the additional coverage this Optional Coverage provides if you notify us of your intent to do so within 180 days after the loss or damage.
- d. We will not pay on a replacement cost basis for any loss or damage:
 - (1) Until the lost or damaged property is actually repaired or replaced; and
 - (2) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage.

With respect to tenants' improvements and betterments, the following also apply:

- (3) If the conditions in d.(1) and d.(2) above are not met, the value of tenants' improvements and betterments will be determined as a proportion of your original cost, as set forth in the Valuation Loss Condition of this Coverage Form; and
- (4) We will not pay for loss or damage to tenants' improvements and betterments if others pay for repairs or replacement.
- e. We will not pay more for loss or damage on a replacement cost basis than the least of (1), (2) or (3), subject to f. below:
 - (1) The Limit of Insurance applicable to the lost or damaged property;
 - (2) The cost to replace the lost or damaged property with other property:
 - (a) Of comparable material and quality; and
 - (b) Used for the same purpose; or
 - (3) The amount actually spent that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a new premises, the cost described in e.(2) above is limited to the cost which would have been incurred if the building had been rebuilt at the original premises.

- f. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

4. Extension Of Replacement Cost To Personal Property Of Others

- a. If the Replacement Cost Optional Coverage is shown as applicable in the Declarations, then this Extension may also be shown as applicable. If the Declarations show this Extension as applicable, then Paragraph 3.b.(1) of the Replacement Cost Optional Coverage is deleted and all other provisions of the Replacement Cost Optional Coverage apply to replacement cost on personal property of others.

- b. With respect to replacement cost on the personal property of others, the following limitation applies:

If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the lesser of the replacement cost of the property or the applicable Limit of Insurance.

H. Definitions

1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
2. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
3. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section F. Definitions.

A. Coverage

1. Business Income

Business Income means the:

- a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
- b. Continuing normal operating expenses incurred, including payroll.

For manufacturing risks, Net Income includes the net sales value of production.

Coverage is provided as described and limited below for one or more of the following options for which a Limit Of Insurance is shown in the Declarations:

- (1) Business Income Including "Rental Value".
- (2) Business Income Other Than "Rental Value".
- (3) "Rental Value".

If option (1) above is selected, the term Business Income will include "Rental Value". If option (3) above is selected, the term Business Income will mean "Rental Value" only.

If Limits of Insurance are shown under more than one of the above options, the provisions of this Coverage Part apply separately to each.

We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at premises which are described in the Declarations and for which a Business Income Limit Of Insurance is shown in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 100 feet of such premises.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of a building, your premises means:

- (a) The portion of the building which you rent, lease or occupy;
- (b) The area within 100 feet of the building or within 100 feet of the premises described in the Declarations, whichever distance is greater (with respect to loss of or damage to personal property in the open or personal property in a vehicle); and
- (c) Any area within the building or at the described premises, if that area services, or is used to gain access to, the portion of the building which you rent, lease or occupy.

2. Extra Expense

- a. Extra Expense Coverage is provided at the premises described in the Declarations only if the Declarations show that Business Income Coverage applies at that premises.
- b. Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

We will pay Extra Expense (other than the expense to repair or replace property) to:

- (1) Avoid or minimize the "suspension" of business and to continue operations at the described premises or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.

- (2) Minimize the "suspension" of business if you cannot continue "operations".

We will also pay Extra Expense to repair or replace property, but only to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Form.

3. Covered Causes Of Loss, Exclusions And Limitations

See applicable Causes Of Loss form as shown in the Declarations.

4. Additional Limitation – Interruption Of Computer Operations

- a. Coverage for Business Income does not apply when a "suspension" of "operations" is caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage, Interruption Of Computer Operations.
- b. Coverage for Extra Expense does not apply when action is taken to avoid or minimize a "suspension" of "operations" caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage, Interruption Of Computer Operations.
- c. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.
- d. This Additional Limitation does not apply when loss or damage to electronic data involves only electronic data which is integrated in and operates or controls a building's elevator, lighting, heating, ventilation, air conditioning or security system.

5. Additional Coverages

a. Civil Authority

In this Additional Coverage, Civil Authority, the described premises are premises to which this Coverage Form applies, as shown in the Declarations.

When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:

- (1) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than one mile from the damaged property; and
- (2) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority Coverage for Business Income will begin 72 hours after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to four consecutive weeks from the date on which such coverage began.

Civil Authority Coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will end:

- (1) Four consecutive weeks after the date of that action; or
 - (2) When your Civil Authority Coverage for Business Income ends;
- whichever is later.

b. Alterations And New Buildings

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur due to direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss to:

- (1) New buildings or structures, whether complete or under construction;
- (2) Alterations or additions to existing buildings or structures; and
- (3) Machinery, equipment, supplies or building materials located on or within 100 feet of the described premises and:
 - (a) Used in the construction, alterations or additions; or
 - (b) Incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "operations", the "period of restoration" for Business Income Coverage will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

c. Extended Business Income**(1) Business Income Other Than "Rental Value"**

If the necessary "suspension" of your "operations" produces a Business Income loss payable under this policy, we will pay for the actual loss of Business Income you incur during the period that:

- (a) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- (b) Ends on the earlier of:
 - (i) The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct physical loss or damage had occurred; or
 - (ii) 60 consecutive days after the date determined in (1)(a) above.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

(2) "Rental Value"

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this policy, we will pay for the actual loss of "Rental Value" you incur during the period that:

- (a) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- (b) Ends on the earlier of:
 - (i) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or
 - (ii) 60 consecutive days after the date determined in (2)(a) above.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of "Rental Value" must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

d. Interruption Of Computer Operations

- (1) Under this Additional Coverage, electronic data has the meaning described under Additional Limitation – Interruption Of Computer Operations.

- (2) Subject to all provisions of this Additional Coverage, you may extend the insurance that applies to Business Income and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of electronic data due to a Covered Cause of Loss. However, we will not provide coverage under this Additional Coverage when the Additional Limitation – Interruption Of Computer Operations does not apply based on Paragraph A.4.d. therein.
- (3) With respect to the coverage provided under this Additional Coverage, the Covered Causes of Loss are subject to the following:
- (a) If the Causes Of Loss – Special Form applies, coverage under this Additional Coverage, Interruption Of Computer Operations, is limited to the "specified causes of loss" as defined in that form and Collapse as set forth in that form.
 - (b) If the Causes Of Loss – Broad Form applies, coverage under this Additional Coverage, Interruption Of Computer Operations, includes Collapse as set forth in that form.
 - (c) If the Causes Of Loss form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage, Interruption Of Computer Operations.
 - (d) The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for an interruption related to manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, maintain, repair or replace that system.
- (4) The most we will pay under this Additional Coverage, Interruption Of Computer Operations, is \$2,500 (unless a higher limit is shown in the Declarations) for all loss sustained and expense incurred in any one policy year, regardless of the number of interruptions or the number of premises, locations or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss or expense in a subsequent policy year(s), all loss and expense is deemed to be sustained or incurred in the policy year in which the interruption began.
- (5) This Additional Coverage, Interruption Of Computer Operations, does not apply to loss sustained or expense incurred after the end of the "period of restoration", even if the amount of insurance stated in (4) above has not been exhausted.
- 6. Coverage Extension**
- If a Coinsurance percentage of 50% or more is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:
- Newly Acquired Locations**
- a. You may extend your Business Income and Extra Expense Coverages to apply to property at any location you acquire other than fairs or exhibitions.
 - b. The most we will pay under this Extension, for the sum of Business Income loss and Extra Expense incurred, is \$100,000 at each location, unless a higher limit is shown in the Declarations.
 - c. Insurance under this Extension for each newly acquired location will end when any of the following first occurs:
 - (1) This policy expires;

(2) 30 days expire after you acquire or begin to construct the property; or

(3) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property.

The Additional Condition, Coinsurance, does not apply to this Extension.

B. Limits Of Insurance

The most we will pay for loss in any one occurrence is the applicable Limit Of Insurance shown in the Declarations.

Payments under the following coverages will not increase the applicable Limit of Insurance:

1. Alterations And New Buildings;
2. Civil Authority;
3. Extra Expense; or
4. Extended Business Income.

The amounts of insurance stated in the Interruption Of Computer Operations Additional Coverage and the Newly Acquired Locations Coverage Extension apply in accordance with the terms of those coverages and are separate from the Limit(s) Of Insurance shown in the Declarations for any other coverage.

C. Loss Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

1. Appraisal

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

2. Duties In The Event Of Loss

a. You must see that the following are done in the event of loss:

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the direct physical loss or damage. Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when and where the direct physical loss or damage occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
- (5) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
- (6) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (7) Cooperate with us in the investigation or settlement of the claim.
- (8) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.

b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

3. Loss Determination

- a. The amount of Business Income loss will be determined based on:
 - (1) The Net Income of the business before the direct physical loss or damage occurred;
 - (2) The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
 - (3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and
 - (4) Other relevant sources of information, including:
 - (a) Your financial records and accounting procedures;
 - (b) Bills, invoices and other vouchers; and
 - (c) Deeds, liens or contracts.
- b. The amount of Extra Expense will be determined based on:
 - (1) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:
 - (a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
 - (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
 - (2) Necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

c. Resumption Of Operations

We will reduce the amount of your:

- (1) Business Income loss, other than Extra Expense, to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.
 - (2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.
- d. If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

4. Loss Payment

We will pay for covered loss within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part, and:

- a. We have reached agreement with you on the amount of loss; or
- b. An appraisal award has been made.

D. Additional Condition

COINSURANCE

If a Coinsurance percentage is shown in the Declarations, the following condition applies in addition to the Common Policy Conditions and the Commercial Property Conditions.

We will not pay the full amount of any Business Income loss if the Limit of Insurance for Business Income is less than:

1. The Coinsurance percentage shown for Business Income in the Declarations; times
2. The sum of:
 - a. The Net Income (Net Profit or Loss before income taxes), and
 - b. Operating expenses, including payroll expenses,
 that would have been earned or incurred (had no loss occurred) by your "operations" at the described premises for the 12 months following the inception, or last previous anniversary date, of this policy (whichever is later).

Instead, we will determine the most we will pay using the following steps:

Step (1): Multiply the Net Income and operating expense for the 12 months following the inception, or last previous anniversary date, of this policy by the Coinsurance percentage;

Step (2): Divide the Limit of Insurance for the described premises by the figure determined in Step (1); and

Step (3): Multiply the total amount of loss by the figure determined in Step (2).

We will pay the amount determined in Step (3) or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

In determining operating expenses for the purpose of applying the Coinsurance condition, the following expenses, if applicable, shall be deducted from the total of all operating expenses:

- (1) Prepaid freight – outgoing;
- (2) Returns and allowances;
- (3) Discounts;
- (4) Bad debts;
- (5) Collection expenses;
- (6) Cost of raw stock and factory supplies consumed (including transportation charges);
- (7) Cost of merchandise sold (including transportation charges);
- (8) Cost of other supplies consumed (including transportation charges);
- (9) Cost of services purchased from outsiders (not employees) to resell, that do not continue under contract;
- (10) Power, heat and refrigeration expenses that do not continue under contract (if Form CP 15 11 is attached);
- (11) All payroll expenses or the amount of payroll expense excluded (if Form CP 15 10 is attached); and
- (12) Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion – not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).

Example 1 (Underinsurance)

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been: \$ 400,000
 The Coinsurance percentage is: 50%
 The Limit of Insurance is: \$ 150,000
 The amount of loss is: \$ 80,000

Step (1): $\$400,000 \times 50\% = \$200,000$
 (the minimum amount of insurance to meet your Coinsurance requirements)

Step (2): $\$150,000 \div \$200,000 = .75$

Step (3): $\$80,000 \times .75 = \$60,000$

We will pay no more than \$60,000. The remaining \$20,000 is not covered.

Example 2 (Adequate Insurance)

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been: \$ 400,000
 The Coinsurance percentage is: 50%
 The Limit of Insurance is: \$ 200,000
 The amount of loss is: \$ 80,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 ($\$400,000 \times 50\%$). Therefore, the Limit of Insurance in this example is adequate and no penalty applies. We will pay no more than \$80,000 (amount of loss).

This condition does not apply to Extra Expense Coverage.

E. Optional Coverages

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

1. Maximum Period Of Indemnity

- a. The Additional Condition, Coinsurance, does not apply to this Coverage Form at the described premises to which this Optional Coverage applies.

b. The most we will pay for the total of Business Income loss and Extra Expense is the lesser of:

- (1) The amount of loss sustained and expenses incurred during the 120 days immediately following the beginning of the "period of restoration"; or
- (2) The Limit Of Insurance shown in the Declarations.

2. Monthly Limit Of Indemnity

- a. The Additional Condition, Coinsurance, does not apply to this Coverage Form at the described premises to which this Optional Coverage applies.
- b. The most we will pay for loss of Business Income in each period of 30 consecutive days after the beginning of the "period of restoration" is:
 - (1) The Limit of Insurance, multiplied by
 - (2) The fraction shown in the Declarations for this Optional Coverage.

Example

When: The Limit of Insurance is: \$ 120,000
 The fraction shown in the Declarations for this Optional Coverage is: 1/4
 The most we will pay for loss in each period of 30 consecutive days is: \$ 30,000
 (\$120,000 x 1/4 = \$30,000)
 If, in this example, the actual amount of loss is:

Days 1–30:	\$ 40,000
Days 31–60:	\$ 20,000
Days 61–90:	\$ 30,000
	<u>\$ 90,000</u>

We will pay:

Days 1–30:	\$ 30,000
Days 31–60:	\$ 20,000
Days 61–90:	\$ 30,000
	<u>\$ 80,000</u>

The remaining \$10,000 is not covered.

3. Business Income Agreed Value

- a. To activate this Optional Coverage:
 - (1) A Business Income Report/Work Sheet must be submitted to us and must show financial data for your "operations":
 - (a) During the 12 months prior to the date of the Work Sheet; and

(b) Estimated for the 12 months immediately following the inception of this Optional Coverage.

(2) The Declarations must indicate that the Business Income Agreed Value Optional Coverage applies, and an Agreed Value must be shown in the Declarations. The Agreed Value should be at least equal to:

(a) The Coinsurance percentage shown in the Declarations; multiplied by

(b) The amount of Net Income and operating expenses for the following 12 months you report on the Work Sheet.

b. The Additional Condition, Coinsurance, is suspended until:

(1) 12 months after the effective date of this Optional Coverage; or

(2) The expiration date of this policy; whichever occurs first.

c. We will reinstate the Additional Condition, Coinsurance, automatically if you do not submit a new Work Sheet and Agreed Value:

(1) Within 12 months of the effective date of this Optional Coverage; or

(2) When you request a change in your Business Income Limit of Insurance.

d. If the Business Income Limit of Insurance is less than the Agreed Value, we will not pay more of any loss than the amount of loss multiplied by:

(1) The Business Income Limit of Insurance; divided by

(2) The Agreed Value.

Example

When: The Limit of Insurance is: \$ 100,000
 The Agreed Value is: \$ 200,000
 The amount of loss is: \$ 80,000

Step (1): $\$100,000 \div \$200,000 = .50$

Step (2): $.50 \times \$80,000 = \$40,000$

We will pay \$40,000. The remaining \$40,000 is not covered.

4. Extended Period Of Indemnity

Under Paragraph A.5.c., **Extended Business Income**, the number 60 in Subparagraphs (1)(b) and (2)(b) is replaced by the number shown in the Declarations for this Optional Coverage.

F. Definitions

1. "Finished stock" means stock you have manufactured.

"Finished stock" also includes whiskey and alcoholic products being aged, unless there is a Coinsurance percentage shown for Business Income in the Declarations.

"Finished stock" does not include stock you have manufactured that is held for sale on the premises of any retail outlet insured under this Coverage Part.

2. "Operations" means:
 - a. Your business activities occurring at the described premises; and
 - b. The tenantability of the described premises, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.
3. "Period of restoration" means the period of time that:
 - a. Begins:
 - (1) 72 hours after the time of direct physical loss or damage for Business Income Coverage; or
 - (2) Immediately after the time of direct physical loss or damage for Extra Expense Coverage; caused by or resulting from any Covered Cause of Loss at the described premises; and
 - b. Ends on the earlier of:
 - (1) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (2) The date when business is resumed at a new permanent location.

"Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:

- (1) Regulates the construction, use or repair, or requires the tearing down, of any property; or

- (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration".

4. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
5. "Rental Value" means Business Income that consists of:
 - a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, including fair rental value of any portion of the described premises which is occupied by you; and
 - b. Continuing normal operating expenses incurred in connection with that premises, including:
 - (1) Payroll; and
 - (2) The amount of charges which are the legal obligation of the tenant(s) but would otherwise be your obligations.
6. "Suspension" means:
 - a. The slowdown or cessation of your business activities; or
 - b. That a part or all of the described premises is rendered untenable, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.

COMMERCIAL PROPERTY CONDITIONS

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

B. CONTROL OF PROPERTY

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

C. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

D. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

E. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

F. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

G. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

H. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part:

1. We cover loss or damage commencing:
 - a. During the policy period shown in the Declarations; and
 - b. Within the coverage territory.
2. The coverage territory is:
 - a. The United States of America (including its territories and possessions);
 - b. Puerto Rico; and
 - c. Canada.

**I. TRANSFER OF RIGHTS OF RECOVERY
AGAINST OTHERS TO US**

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property or Covered Income.
2. After a loss to your Covered Property or Covered Income only if, at time of loss, that party is one of the following:
 - a. Someone insured by this insurance;
 - b. A business firm:
 - (1) Owned or controlled by you; or
 - (2) That owns or controls you; or
 - c. Your tenant.

This will not restrict your insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OHIO CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART STANDARD PROPERTY POLICY

A. Paragraphs **c.** and **g.** of the **Loss Payment Loss Condition** are replaced by the following, except as provided in Paragraph **B.:**

c. We will give you notice, within 21 days after we receive a properly executed proof of loss, that we:

- (1) Accept your claim;
- (2) Deny your claim; or
- (3) Need more time to investigate your claim.

If we need more time to investigate your claim, we will provide an explanation for our need for more time. We will continue to notify you again in writing, at least every 45 days, of the status of the investigation and of the continued time needed for the investigation.

g. Provided you have complied with all the terms of this Coverage Part, we will pay for covered loss or damage within:

- (1) 10 days after we accept your claim if such acceptance occurs within the first 21 days after we receive a properly executed proof of loss, unless the claim involves an action by a probate court or other extraordinary circumstances as documented in the claim file; or
- (2) Five days after we accept your claim if such acceptance occurs more than 21 days after we receive a properly executed proof of loss, and
 - (a) An appraisal award has been made; or
 - (b) We have reached an agreement with you on the amount of loss that was in dispute.

B. Paragraph **A.** does not apply to the **Loss Payment Loss Condition** in the following forms:

1. Business Income (And Extra Expense) Coverage Form;
2. Business Income (Without Extra Expense) Coverage Form;
3. Extra Expense Coverage Form;
4. Leasehold Interest Coverage Form; and
5. Mortgageholders Errors And Omissions Coverage Form.

In the forms listed above, the **Loss Payment Loss Condition** is replaced by the following:

LOSS PAYMENT

a. We will give you notice, within 21 days after we receive a properly executed proof of loss, that we:

- (1) Accept your claim;
- (2) Deny your claim; or
- (3) Need more time to investigate your claim.

If we need more time to investigate your claim, we will provide an explanation for our need for more time. We will continue to notify you again in writing, at least every 45 days, of the status of the investigation and of the continued time needed for the investigation.

b. Provided you have complied with all the terms of this Coverage Part, we will pay for covered loss or damage within:

- (1) 10 days after we accept your claim if such acceptance occurs within the first 21 days after we receive a properly executed proof of loss, unless the claim involves an action by a probate court or other extraordinary circumstances as documented in the claim file; or

- (2) Five days after we accept your claim if such acceptance occurs more than 21 days after we receive a properly executed proof of loss, and
 - (a) An appraisal award has been made; or
 - (b) We have reached an agreement with you on the amount of loss that was in dispute.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART STANDARD PROPERTY POLICY

- A.** The exclusion set forth in Paragraph **B.** applies to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.
- B.** We will not pay for loss or damage caused by or resulting from any virus, bacterium or other micro-organism that induces or is capable of inducing physical distress, illness or disease.
However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part or Policy.
- C.** With respect to any loss or damage subject to the exclusion in Paragraph **B.**, such exclusion supersedes any exclusion relating to "pollutants".
- D.** The following provisions in this Coverage Part or Policy are hereby amended to remove reference to bacteria:
 - 1. Exclusion of "Fungus", Wet Rot, Dry Rot And Bacteria; and
 - 2. Additional Coverage – Limited Coverage for "Fungus", Wet Rot, Dry Rot And Bacteria, including any endorsement increasing the scope or amount of coverage.
- E.** The terms of the exclusion in Paragraph **B.**, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

POLICY NUMBER:Z7W D003305 00

COMMERCIAL PROPERTY
CP 04 11 10 12

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROTECTIVE SAFEGUARDS

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY**SCHEDULE**

Premises Number	Building Number	Protective Safeguards Symbols Applicable
1	2	P-1, P-2
1	3	P-1, P-2
Describe Any "P-9":		
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

A. The following is added to the Commercial Property Conditions:**Protective Safeguards**

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the Schedule above.
2. The protective safeguards to which this endorsement applies are identified by the following symbols:

"P-1" Automatic Sprinkler System, including related supervisory services.

Automatic Sprinkler System means:

- a. Any automatic fire protective or extinguishing system, including connected:
 - (1) Sprinklers and discharge nozzles;
 - (2) Ducts, pipes, valves and fittings;
 - (3) Tanks, their component parts and supports; and
 - (4) Pumps and private fire protection mains.
- b. When supplied from an automatic fire protective system:
 - (1) Non-automatic fire protective systems; and

- (2) Hydrants, standpipes and outlets.

"P-2" Automatic Fire Alarm, protecting the entire building, that is:

- a. Connected to a central station; or
- b. Reporting to a public or private fire alarm station.

"P-3" Security Service, with a recording system or watch clock, making hourly rounds covering the entire building, when the premises are not in actual operation.**"P-4" Service Contract** with a privately owned fire department providing fire protection service to the described premises.**"P-5" Automatic Commercial Cooking Exhaust And Extinguishing System** installed on cooking appliances and having the following components:

- a. Hood;
- b. Grease removal device;
- c. Duct system; and
- d. Wet chemical fire extinguishing equipment.

"P-9", the protective system described in the Schedule.

B. The following is added to the **Exclusions** section of:

Causes Of Loss – Basic Form

Causes Of Loss – Broad Form

Causes Of Loss – Special Form

Mortgageholders Errors And Omissions Coverage Form

Standard Property Policy

We will not pay for loss or damage caused by or resulting from fire if, prior to the fire, you:

1. Knew of any suspension or impairment in any protective safeguard listed in the Schedule above and failed to notify us of that fact; or

2. Failed to maintain any protective safeguard listed in the Schedule above, and over which you had control, in complete working order.

If part of an Automatic Sprinkler System or Automatic Commercial Cooking Exhaust And Extinguishing System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

CAUSES OF LOSS – SPECIAL FORM

Words and phrases that appear in quotation marks have special meaning. Refer to Section G. Definitions.

A. Covered Causes Of Loss

When Special is shown in the Declarations, Covered Causes of Loss means direct physical loss unless the loss is excluded or limited in this policy.

B. Exclusions

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

a. Ordinance Or Law

The enforcement of or compliance with any ordinance or law:

- (1) Regulating the construction, use or repair of any property; or
- (2) Requiring the tearing down of any property, including the cost of removing its debris.

This exclusion, Ordinance Or Law, applies whether the loss results from:

- (a) An ordinance or law that is enforced even if the property has not been damaged; or
- (b) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

b. Earth Movement

- (1) Earthquake, including tremors and aftershocks and any earth sinking, rising or shifting related to such event;
- (2) Landslide, including any earth sinking, rising or shifting related to such event;
- (3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;

- (4) Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

But if Earth Movement, as described in b.(1) through (4) above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

- (5) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

Volcanic Action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- (a) Airborne volcanic blast or airborne shock waves;
- (b) Ash, dust or particulate matter; or
- (c) Lava flow.

With respect to coverage for Volcanic Action as set forth in (5)(a), (5)(b) and (5)(c), all volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic Action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

This exclusion applies regardless of whether any of the above, in Paragraphs (1) through (5), is caused by an act of nature or is otherwise caused.

c. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

d. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the loss or damage caused by that fire.

e. Utility Services

The failure of power, communication, water or other utility service supplied to the described premises, however caused, if the failure:

- (1) Originates away from the described premises; or
- (2) Originates at the described premises, but only if such failure involves equipment used to supply the utility service to the described premises from a source away from the described premises.

Failure of any utility service includes lack of sufficient capacity and reduction in supply.

Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

But if the failure or surge of power, or the failure of communication, water or other utility service, results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

Communication services include but are not limited to service relating to Internet access or access to any electronic, cellular or satellite network.

f. War And Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

g. Water

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
- (2) Mudslide or mudflow;
- (3) Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;
- (4) Water under the ground surface pressing on, or flowing or seeping through:
 - (a) Foundations, walls, floors or paved surfaces;
 - (b) Basements, whether paved or not; or
 - (c) Doors, windows or other openings; or
- (5) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph (1), (3) or (4), or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs (1) through (5), is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if any of the above, in Paragraphs (1) through (5), results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage (if sprinkler leakage is a Covered Cause of Loss).

h. "Fungus", Wet Rot, Dry Rot And Bacteria

Presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria.

But if "fungus", wet or dry rot or bacteria result in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion does not apply:

- (1) When "fungus", wet or dry rot or bacteria result from fire or lightning; or
- (2) To the extent that coverage is provided in the Additional Coverage, Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria, with respect to loss or damage by a cause of loss other than fire or lightning.

Exclusions **B.1.a.** through **B.1.h.** apply whether or not the loss event results in widespread damage or affects a substantial area.

2. We will not pay for loss or damage caused by or resulting from any of the following:
 - a. Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:
 - (1) Electrical or electronic wire, device, appliance, system or network; or
 - (2) Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes but is not limited to:

- (a) Electrical current, including arcing;
- (b) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- (c) Pulse of electromagnetic energy; or
- (d) Electromagnetic waves or microwaves.

But if fire results, we will pay for the loss or damage caused by that fire.

- b. Delay, loss of use or loss of market.
- c. Smoke, vapor or gas from agricultural smudging or industrial operations.
- d.(1) Wear and tear;
 - (2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
 - (3) Smog;
 - (4) Settling, cracking, shrinking or expansion;

- (5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals.

- (6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.

- (7) The following causes of loss to personal property:

- (a) Dampness or dryness of atmosphere;
- (b) Changes in or extremes of temperature; or
- (c) Marring or scratching.

But if an excluded cause of loss that is listed in **2.d.(1)** through **(7)** results in a "specified cause of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss" or building glass breakage.

- e. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
- f. Continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more.
- g. Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:
 - (1) You do your best to maintain heat in the building or structure; or

- (2) You drain the equipment and shut off the supply if the heat is not maintained.
- h. Dishonest or criminal act (including theft) by you, any of your partners, members, officers, managers, employees (including temporary employees and leased workers), directors, trustees or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion:

- (1) Applies whether or not an act occurs during your normal hours of operation;
 - (2) Does not apply to acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered.
- i. Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- j. Rain, snow, ice or sleet to personal property in the open.
- k. Collapse, including any of the following conditions of property or any part of the property:
- (1) An abrupt falling down or caving in;
 - (2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
 - (3) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to (1) or (2) above.

But if collapse results in a Covered Cause of Loss at the described premises, we will pay for the loss or damage caused by that Covered Cause of Loss.

This exclusion, k., does not apply:

- (a) To the extent that coverage is provided under the Additional Coverage, Collapse; or

- (b) To collapse caused by one or more of the following:

- (i) The "specified causes of loss";
- (ii) Breakage of building glass;
- (iii) Weight of rain that collects on a roof; or
- (iv) Weight of people or personal property.

- l. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion, l., does not apply to damage to glass caused by chemicals applied to the glass.

- m. Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.
3. We will not pay for loss or damage caused by or resulting from any of the following, 3.a. through 3.c. But if an excluded cause of loss that is listed in 3.a. through 3.c. results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.
- a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph 1. above to produce the loss or damage.
 - b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
 - c. Faulty, inadequate or defective:
 - (1) Planning, zoning, development, surveying, siting;
 - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - (3) Materials used in repair, construction, renovation or remodeling; or
 - (4) Maintenance;
 of part or all of any property on or off the described premises.

4. Special Exclusions

The following provisions apply only to the specified Coverage Forms:

a. Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form, Or Extra Expense Coverage Form

We will not pay for:

- (1) Any loss caused by or resulting from:
 - (a) Damage or destruction of "finished stock"; or
 - (b) The time required to reproduce "finished stock".

This exclusion does not apply to Extra Expense.
- (2) Any loss caused by or resulting from direct physical loss or damage to radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers.
- (3) Any increase of loss caused by or resulting from:
 - (a) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
 - (b) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage and the Extended Period Of Indemnity Optional Coverage or any variation of these.
- (4) Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".

- (5) Any other consequential loss.

b. Leasehold Interest Coverage Form

- (1) Paragraph B.1.a., Ordinance Or Law, does not apply to insurance under this Coverage Form.
- (2) We will not pay for any loss caused by:
 - (a) Your cancelling the lease;
 - (b) The suspension, lapse or cancellation of any license; or
 - (c) Any other consequential loss.

c. Legal Liability Coverage Form

- (1) The following exclusions do not apply to insurance under this Coverage Form:
 - (a) Paragraph B.1.a. Ordinance Or Law;
 - (b) Paragraph B.1.c. Governmental Action;
 - (c) Paragraph B.1.d. Nuclear Hazard;
 - (d) Paragraph B.1.e. Utility Services; and
 - (e) Paragraph B.1.f. War And Military Action.
- (2) The following additional exclusions apply to insurance under this Coverage Form:
 - (a) **Contractual Liability**

We will not defend any claim or "suit", or pay damages that you are legally liable to pay, solely by reason of your assumption of liability in a contract or agreement. But this exclusion does not apply to a written lease agreement in which you have assumed liability for building damage resulting from an actual or attempted burglary or robbery, provided that:

 - (i) Your assumption of liability was executed prior to the accident; and
 - (ii) The building is Covered Property under this Coverage Form.
 - (b) **Nuclear Hazard**

We will not defend any claim or "suit", or pay any damages, loss, expense or obligation, resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

5. Additional Exclusion

The following provisions apply only to the specified property:

Loss Or Damage To Products

We will not pay for loss or damage to any merchandise, goods or other product caused by or resulting from error or omission by any person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in any stage of the development, production or use of the product, including planning, testing, processing, packaging, installation, maintenance or repair. This exclusion applies to any effect that compromises the form, substance or quality of the product. But if such error or omission results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

C. Limitations

The following limitations apply to all policy forms and endorsements, unless otherwise stated:

1. We will not pay for loss of or damage to property, as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.
 - a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
 - b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.
 - c. The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
 - (1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
 - (2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
- d. Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft.

However, this limitation does not apply to:

 - (1) Building materials and supplies held for sale by you, unless they are insured under the Builders Risk Coverage Form; or
 - (2) Business Income Coverage or Extra Expense Coverage.
- e. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.
- f. Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.
- g. Lawns, trees, shrubs or plants which are part of a vegetated roof, caused by or resulting from:
 - (1) Dampness or dryness of atmosphere or of soil supporting the vegetation;
 - (2) Changes in or extremes of temperature;
 - (3) Disease;
 - (4) Frost or hail; or
 - (5) Rain, snow, ice or sleet.
2. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:
 - a. Animals, and then only if they are killed or their destruction is made necessary.
 - b. Fragile articles such as statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:
 - (1) Glass; or
 - (2) Containers of property held for sale.
 - c. Builders' machinery, tools and equipment owned by you or entrusted to you, provided such property is Covered Property.

However, this limitation does not apply:

 - (1) If the property is located on or within 100 feet of the described premises, unless the premises is insured under the Builders Risk Coverage Form; or
 - (2) To Business Income Coverage or to Extra Expense Coverage.

3. The special limit shown for each category, a. through d., is the total limit for loss of or damage to all property in that category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are (unless a higher limit is shown in the Declarations):

- a. \$2,500 for furs, fur garments and garments trimmed with fur.
- b. \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item.
- c. \$2,500 for patterns, dies, molds and forms.
- d. \$250 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

These special limits are part of, not in addition to, the Limit of Insurance applicable to the Covered Property.

This limitation, C.3., does not apply to Business Income Coverage or to Extra Expense Coverage.

4. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire-extinguishing equipment if the damage:

- a. Results in discharge of any substance from an automatic fire protection system; or
- b. Is directly caused by freezing.

However, this limitation does not apply to Business Income Coverage or to Extra Expense Coverage.

D. Additional Coverage – Collapse

The coverage provided under this Additional Coverage, Collapse, applies only to an abrupt collapse as described and limited in D.1. through D.7.

1. For the purpose of this Additional Coverage, Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.

2. We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:

- a. Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
- b. Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
- c. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation.
- d. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:

- (1) A cause of loss listed in 2.a. or 2.b.;
- (2) One or more of the "specified causes of loss";
- (3) Breakage of building glass;
- (4) Weight of people or personal property; or
- (5) Weight of rain that collects on a roof.

3. This **Additional Coverage – Collapse** does not apply to:

- a. A building or any part of a building that is in danger of falling down or caving in;
- b. A part of a building that is standing, even if it has separated from another part of the building; or
- c. A building that is standing or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

4. With respect to the following property:

- a. Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;

- b. Awnings, gutters and downspouts;
 - c. Yard fixtures;
 - d. Outdoor swimming pools;
 - e. Fences;
 - f. Piers, wharves and docks;
 - g. Beach or diving platforms or appurtenances;
 - h. Retaining walls; and
 - i. Walks, roadways and other paved surfaces;
- if an abrupt collapse is caused by a cause of loss listed in 2.a. through 2.d., we will pay for loss or damage to that property only if:

(1) Such loss or damage is a direct result of the abrupt collapse of a building insured under this Coverage Form; and

(2) The property is Covered Property under this Coverage Form.

5. If personal property abruptly falls down or caves in and such collapse is **not** the result of abrupt collapse of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:
- a. The collapse of personal property was caused by a cause of loss listed in 2.a. through 2.d.;
 - b. The personal property which collapses is inside a building; and
 - c. The property which collapses is not of a kind listed in 4., regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph 5. does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

6. This Additional Coverage, Collapse, does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
7. This Additional Coverage, Collapse, will not increase the Limits of Insurance provided in this Coverage Part.
8. The term Covered Cause of Loss includes the Additional Coverage, Collapse, as described and limited in D.1. through D.7.

E. Additional Coverage – Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria

1. The coverage described in E.2. and E.6. only applies when the "fungus", wet or dry rot or bacteria are the result of one or more of the following causes that occur during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence:

- a. A "specified cause of loss" other than fire or lightning; or
- b. Flood, if the Flood Coverage Endorsement applies to the affected premises.

This Additional Coverage does not apply to lawns, trees, shrubs or plants which are part of a vegetated roof.

2. We will pay for loss or damage by "fungus", wet or dry rot or bacteria. As used in this Limited Coverage, the term loss or damage means:

- a. Direct physical loss or damage to Covered Property caused by "fungus", wet or dry rot or bacteria, including the cost of removal of the "fungus", wet or dry rot or bacteria;
- b. The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet or dry rot or bacteria; and
- c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungus", wet or dry rot or bacteria are present.

3. The coverage described under E.2. of this Limited Coverage is limited to \$15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) and Flood which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the "fungus", wet or dry rot or bacteria continue to be present or active, or recur, in a later policy period.

4. The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet or dry rot or bacteria, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

If there is covered loss or damage to Covered Property, not caused by "fungus", wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungus", wet or dry rot or bacteria cause an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

5. The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph F.2. (Water Damage, Other Liquids, Powder Or Molten Material Damage) of this Causes Of Loss form or under the Additional Coverage, Collapse.
6. The following, 6.a. or 6.b., applies only if Business Income and/or Extra Expense Coverage applies to the described premises and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable Business Income and/or Extra Expense Coverage Form:
- If the loss which resulted in "fungus", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to loss or damage to property caused by "fungus", wet or dry rot or bacteria, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.
 - If a covered "suspension" of "operations" was caused by loss or damage other than "fungus", wet or dry rot or bacteria but remediation of "fungus", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

F. Additional Coverage Extensions

1. Property In Transit

This Extension applies only to your personal property to which this form applies.

- You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.
- Loss or damage must be caused by or result from one of the following causes of loss:
 - Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.
 - Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the roadbed.
 - Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.
- The most we will pay for loss or damage under this Extension is \$5,000.

This Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

2. Water Damage, Other Liquids, Powder Or Molten Material Damage

If loss or damage caused by or resulting from covered water or other liquid, powder or molten material damage loss occurs, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes. This Coverage Extension does not increase the Limit of Insurance.

3. Glass

- We will pay for expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed.

- b. We will pay for expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays.

This Coverage Extension **F.3.** does not increase the Limit of Insurance.

G. Definitions

1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
2. "Specified causes of loss" means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire-extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.
 - a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
 - (1) The cost of filling sinkholes; or
 - (2) Sinking or collapse of land into man-made underground cavities.
 - b. Falling objects does not include loss or damage to:
 - (1) Personal property in the open; or
 - (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.

c. Water damage means:

- (1) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the described premises and contains water or steam; and
- (2) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe that is located off the described premises and is part of a municipal potable water supply system or municipal sanitary sewer system, if the breakage or cracking is caused by wear and tear.

But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion. Therefore, for example, there is no coverage under this policy in the situation in which discharge or leakage of water results from the breaking apart or cracking of a pipe which was caused by or related to weather-induced flooding, even if wear and tear contributed to the breakage or cracking. As another example, and also in accordance with the terms of the Water Exclusion, there is no coverage for loss or damage caused by or related to weather-induced flooding which follows or is exacerbated by pipe breakage or cracking attributable to wear and tear.

To the extent that accidental discharge or leakage of water falls within the criteria set forth in **c.(1)** or **c.(2)** of this definition of "specified causes of loss," such water is not subject to the provisions of the Water Exclusion which preclude coverage for surface water or water under the surface of the ground.



GLOBAL DISTRIBUTION
CENTER LLC

Z7W D003305 00

THE KNIGHT INSURANCE

Commercial General Liability Coverage Part Declaration

Audit Frequency: Not Auditable

Limits of Insurance:

General Aggregate Limit	\$2,000,000
Products-Completed Operations are Included in the General Aggregate Limit	
Each Occurrence Limit	\$1,000,000
Personal and Advertising Injury Limit	\$1,000,000
Damage to Premises Rented to You Limit	\$100,000
Medical Expense Limit, Any One Person	\$5,000
General Liability Deductible:	
Total Advance Commercial General Liability Premium	\$7,334.00

THIS POLICY CONTAINS AGGREGATE LIMITS; REFER TO SECTION III - LIMITS OF INSURANCE FOR DETAILS

Forms Applicable to General Liability Coverage Parts:

<u>Form Number</u>	<u>Edition Date</u>	<u>Description</u>
421-0022	12/90	Asbestos Liability Exclusion
421-0037	06/95	Lead Poisoning Liability Exclusion
421-2915	06/15	Commercial General Liability Broadening Endorsement
421-2924	12/14	Commercial General Liability Enhancement Endorsement - Real Estate
CG 00 01	04/13	Commercial General Liability Coverage Form - Occurrence
CG 21 06	05/14	Exclusion - Access or Disclosure of Confidential or Personal Information and Data-Related Liability - With Limited Bodily Injury Exception
CG 21 47	12/07	Employment - Related Practices Exclusion
CG 21 49	09/99	Total Pollution Exclusion Endorsement
CG 21 67	12/04	Fungi or Bacteria Exclusion
CG 21 73	01/15	Exclusion of Certified Acts of Terrorism
CG 21 96	03/05	Silica or Silica-Related Dust Exclusion

GLOBAL DISTRIBUTION CENTER
LLC

Z7W D003305 00

THE KNIGHT INSURANCE

Commercial General Liability Classification Schedule Declaration

<u>LOC</u>	<u>ST</u>	<u>TERR</u>	<u>CODE</u>	<u>SUBLINE</u>	<u>PREMIUM BASIS</u>	<u>PER</u> 1000 of Total Area	<u>RATE</u>	<u>ADVANCE PREMIUM</u>
1	OH	509	61217	334	800000 Area		8.757	\$7,006.00

Products – Completed Operations are Included in the General Aggregate Limit

Buildings or Premises bank or office mercantile or manufacturing lessor

<u>LOC</u>	<u>ST</u>	<u>TERR</u>	<u>CODE</u>	<u>SUBLINE</u>	<u>PREMIUM BASIS</u>	<u>PER</u> 1000 of Total Area	<u>RATE</u>	<u>ADVANCE PREMIUM</u>
1	OH	509	61227	334	2700 Area		28.926	\$78.00

Products – Completed Operations are Included in the General Aggregate Limit

Buildings or Premises office Not-For-Profit only

Miscellaneous/Optional General Liability CoveragesAdvance Premium

CGL Enhancement - Real Estate

\$250.00

Additional Premium for Coverage Minimum:

N/A

Total Advance General Liability Premium

\$7,334.00

Subline 334

Premises and Operations

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ASBESTOS LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS POLICY COMMERCIAL GENERAL LIABILITY COVERAGE PART

This insurance does not apply to "bodily injury", "property damage", "personal injury" or "advertising injury" arising out of any actual or alleged:

1. Inhaling, ingesting or prolonged physical exposure by any person to asbestos or asbestos fibers or goods or products containing asbestos; or
2. Use of asbestos in constructing or manufacturing any good, product or structure; or
3. Intentional or accidental removal including encapsulation, dispersal, sealing or disposal of asbestos or asbestos fibers from any good, product or structure; or
4. Manufacture, transportation, storage or disposal of asbestos or goods or products containing asbestos; or
5. Product manufactured, sold, handled or distributed by or on behalf of the insured which contain asbestos; or
6. Acts or omissions of the insured in connection with the general supervision of any job involving the removal, enclosure, encapsulation, dispersal, sealing or disposal of asbestos, asbestos fibers or products containing asbestos.

General supervision includes the rendering of or failure to render any instructions, recommendations, warnings or advice.

421-0022 (ED 12-90)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LEAD POISONING LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

**BUSINESSOWNERS POLICY
COMMERCIAL GENERAL LIABILITY COVERAGE PART**

This insurance does not apply to "bodily injury", "property damage", "personal injury" or "advertising injury" arising out of any actual or alleged lead poisoning due to:

1. Inhaling, ingesting or prolonged physical exposure by any person to any premises, structure, goods or products containing lead; or
2. The use of lead in constructing or manufacturing any good, product or structure; or
3. Intentional or accidental removal including encapsulation, dispersal, sealing or disposal of any good, product or structure containing lead; or
4. The manufacturing, transportation, storage or disposal of goods or products containing lead; or
5. Any product manufactured, sold, handled or distributed by or on behalf of the insured which contains lead; or
6. Acts or omissions of the insured in connection with the general supervision of any job involving the removal, enclosure, encapsulation, dispersal, sealing or disposal of products or materials containing lead.

General supervision includes the rendering of or failure to render any instructions, recommendations, warnings or advice.

421-0037A (6/95)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL GENERAL LIABILITY BROADENING ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SUMMARY OF COVERAGES

1.	Additional Insured by Contract, Agreement or Permit	Included
2.	Additional Insured – Primary and Non-Contributory	Included
3.	Blanket Waiver of Subrogation	Included
4.	Bodily Injury Redefined	Included
5.	Broad Form Property Damage – Borrowed Equipment, Customers Goods & Use of Elevators	Included
6.	Knowledge of Occurrence	Included
7.	Liberalization Clause	Included
8.	Medical Payments – Extended Reporting Period	Included
9.	Newly Acquired or Formed Organizations - Covered until end of policy period	Included
10.	Non-owned Watercraft	51 ft.
11.	Supplementary Payments Increased Limits	
	- Bail Bonds	\$2,500
	- Loss of Earnings	\$1000
12.	Unintentional Failure to Disclose Hazards	Included
13.	Unintentional Failure to Notify	Included

This endorsement amends coverages provided under the Commercial General Liability Coverage Part through new coverages, higher limits and broader coverage grants.

1. Additional Insured by Contract, Agreement or Permit

The following is added to **SECTION II – WHO IS AN INSURED:**

Additional Insured by Contract, Agreement or Permit

- a. Any person or organization with whom you agreed in a written contract, written agreement or permit that such person or organization to add an additional insured on your policy is an additional insured only with respect to liability for "bodily injury", "property damage", or "personal and advertising injury" caused, in whole or in part, by your acts or omissions, or the acts or omissions of those acting on your behalf, but only with respect to:

(1) "Your work" for the additional insured(s) designated in the contract, agreement or permit;

(2) Premises you own, rent, lease or occupy; or

(3) Your maintenance, operation or use of equipment leased to you.

- b. The insurance afforded to such additional insured described above:

(1) Only applies to the extent permitted by law; and

(2) Will not be broader than the insurance which you are required by the contract, agreement or permit to provide for such additional insured.

- (3) Applies on a primary basis if that is required by the written contract, written agreement or permit.
 - (4) Will not be broader than coverage provided to any other insured.
 - (5) Does not apply if the "bodily injury", "property damage" or "personal and advertising injury" is otherwise excluded from coverage under this Coverage Part, including any endorsements thereto.
- c. This provision does not apply:
- (1) Unless the written contract or written agreement was executed or permit was issued prior to the "bodily injury", "property damage", or "personal injury and advertising injury".
 - (2) To any person or organization included as an insured by another endorsement issued by us and made part of this Coverage Part.
 - (3) To any lessor of equipment:
 - (a) After the equipment lease expires; or
 - (b) If the "bodily injury", "property damage", "personal and advertising injury" arises out of sole negligence of the lessor
 - (4) To any:
 - (a) Owners or other interests from whom land has been leased which takes place after the lease for the land expires; or
 - (b) Managers or lessors of premises if:
 - (i) The occurrence takes place after you cease to be a tenant in that premises; or
 - (ii) The "bodily injury", "property damage", "personal injury" or "advertising injury" arises out of structural alterations, new construction or demolition operations performed by or on behalf of the manager or lessor.
 - (5) To "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services.
- This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" or the offense which caused the "personal and

advertising injury" involved the rendering of or failure to render any professional services by or for you.

- d. With respect to the insurance afforded to these additional insureds, the following is added to **SECTION III – LIMITS OF INSURANCE**:

The most we will pay on behalf of the additional insured for a covered claim is the lesser of the amount of insurance:

- 1. Required by the contract, agreement or permit described in Paragraph a.; or
- 2. Available under the applicable Limits of Insurance shown in the Declarations.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

2. Additional Insured – Primary and Non-Contributory

The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 4. Other insurance:

Additional Insured – Primary and Non-Contributory

If you agree in a written contract, written agreement or permit that the insurance provided to any person or organization included as an Additional Insured under **SECTION II – WHO IS AN INSURED**, is primary and non-contributory, the following applies:

If other valid and collectible insurance is available to the Additional Insured for a loss covered under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary to other insurance that is available to the Additional Insured which covers the

Additional Insured as a Named Insured. We will not seek contribution from any other insurance available to the Additional Insured except:

- (1) For the sole negligence of the Additional Insured;
- (2) When the Additional Insured is an Additional Insured under another primary liability policy; or
- (3) when **b.** below applies.

If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with that other insurance by the method described in **c.** below.

b. Excess Insurance

- (1) This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
 - (b) That is Fire insurance for premises rented to the Additional Insured or temporarily occupied by the Additional Insured with permission of the owner;
 - (c) That is insurance purchased by the Additional Insured to cover the Additional Insured's liability as a tenant for "property damage" to premises rented to the Additional Insured or temporarily occupied by the Additional Insured with permission of the owner; or
 - (d) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**.
- (2) When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.
- (3) When this insurance is excess over other Insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:
 - (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
 - (b) The total of all deductible and self insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each

insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first. If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers

3. Blanket Waiver of Subrogation

The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 8. **Transfer Of Rights Of Recovery Against Others To Us:**

We waive any right of recovery we may have against any person or organization with whom you have a written contract that requires such waiver because of payments we make for damage under this coverage form. The damage must arise out of your activities under a written contract with that person or organization. This waiver applies only to the extent that subrogation is waived under a written contract executed prior to the "occurrence" or offense giving rise to such payments.

4. Bodily Injury Redefined

SECTION V – DEFINITIONS, Definition 3. "bodily injury" is replaced by the following:

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these at any time. "Bodily injury" includes mental anguish or other mental injury resulting from "bodily injury".

5. Broad Form Property Damage – Borrowed Equipment, Customers Goods, Use of Elevators

- a. **SECTION I – COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Paragraph 2. **Exclusions** subparagraph j. is amended as follows:

Paragraph (4) does not apply to "property damage" to borrowed equipment while at a jobsite and not being used to perform operations.

Paragraphs (3), (4) and (6) do not apply to "property damage" to "customers goods" while on your premises nor do they apply to the use of elevators at premises you own, rent, lease or occupy.

- b. The following is added to **SECTION V – DEFINITIONS:**

24. "Customers goods" means property of your customer on your premises for the purpose of being:

- a. worked on; or
- b. used in your manufacturing process.
- c. The insurance afforded under this provision is excess over any other valid and collectible property insurance (including deductible) available to the insured whether primary, excess, contingent

6. Knowledge of Occurrence

The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 2. **Duties in the Event of Occurrence, Offense, Claim or Suit:**

- e. Notice of an "occurrence", offense, claim or "suit" will be considered knowledge of the insured if reported to an individual named insured, partner, executive officer or an "employee" designated by you to give us such a notice.

7. Liberalization Clause

The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:**

Liberalization Clause

If we adopt any revision that would broaden the coverage under this Coverage Form without additional premium, within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

8. Medical Payments – Extended Reporting Period

- a. **SECTION I – COVERAGES, COVERAGE C – MEDICAL PAYMENTS**, Paragraph 1. **Insuring Agreement**, subparagraph a.(3)(b) is replaced by the following:
 - (b) The expenses are incurred and reported to us within three years of the date of the accident; and
- b. This coverage does not apply if **COVERAGE C – MEDICAL PAYMENTS** is excluded either by the provisions of the Coverage Part or by endorsement.

9. Newly Acquired Or Formed Organizations

SECTION II – WHO IS AN INSURED, Paragraph 3.a. is replaced by the following:

- a. Coverage under this provision is afforded until the end of the policy period.

10. Non-Owned Watercraft

SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Paragraph 2. **Exclusions**, subparagraph g.(2) is replaced by the following:

g. Aircraft, Auto Or Watercraft

- (2) A watercraft you do not own that is:

- (a) Less than 51 feet long; and
- (b) Not being used to carry persons or property for a charge;

This provision applies to any person who, with your consent, either uses or is responsible for the use of a watercraft.

11. Supplementary Payments Increased Limits

SECTION I – SUPPLEMENTARY PAYMENTS COVERAGES A AND B, Paragraphs 1.b. and 1.d. are replaced by the following:

- 1.b. Up to \$2,500 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

- 1.d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$1000 a day because of time off from work.

12. Unintentional Failure to Disclose Hazards

The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 6. **Representations:**

We will not disclaim coverage under this Coverage Part if you fail to disclose all hazards existing as of the inception date of the policy provided such failure is not intentional.

13. Unintentional Failure to Notify

The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 2. **Duties in the Event of Occurrence, Offense, Claim or Suit:**

Your rights afforded under this policy shall not be prejudiced if you fail to give us notice of an "occurrence", offense, claim or "suit", solely due to your reasonable and documented belief that the "bodily injury" or "property damage" is not covered under this policy.

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL GENERAL LIABILITY ENHANCEMENT ENDORSEMENT – REAL ESTATE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SUMMARY OF COVERAGES

1.	Additional Insured - Broad Form Vendors	Included
2.	Aggregate Limit per Location	Included
3.	Alienated Premises	Included
4.	Broad Form Named Insured	Included
5.	Extended Property Damage	Included
6.	Incidental Malpractice (Employed nurses, EMT's & paramedics)	Included
7.	Mobile Equipment Redefined	Included
8.	Personal Injury – Broad Form	Included
9.	Property Damage Legal Liability – Broad Form - Fire, Lightning, Explosion, Smoke and Leakage from Fire Protective Systems Damage Limit	\$1,000,000
10.	Tenants-in-Common as Named Insured	Included

This endorsement amends coverages provided under the Commercial General Liability Coverage Part through new coverages, higher limits and broader coverage grants.

1. Additional Insured - Broad Form Vendors

The following is added to **SECTION II – WHO IS AN INSURED**:

Additional Insured - Broad Form Vendors

- a. Any person or organization that is a vendor with whom you agreed in a written contract or written agreement to include as an additional insured under this Coverage Part is an insured, but only with respect to liability for "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business.
- b. The insurance afforded to such vendor described above:
 - (1) Only applies to the extent permitted by law;
 - (2) Will not be broader than the insurance which you are required by the contract or agreement to provide for such vendor;
 - (3) Will not be broader than coverage provided to any other insured; and
 - (4) Does not apply if the "bodily injury", "property damage" or "personal and advertising injury" is otherwise excluded

from coverage under this Coverage Part, including any endorsements thereto

- c. With respect to insurance afforded to such vendors, the following additional exclusions apply:

The insurance afforded to the vendor does not apply to:

- (1) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reasons of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement;
- (2) Any express warranty unauthorized by you;
- (3) Any physical or chemical change in the product made intentionally by the vendor;
- (4) Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instruction from the manufacturer, and then repackaged in the original container;
- (5) Any failure to make such inspection, adjustments, tests or servicing as the

vendor has agreed to make or normally undertakes to make in the usual course of business in connection with the sale of the product;

- (6) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
 - (7) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor;
 - (8) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
 - (a) The exceptions contained within the exclusion in sub-paragraphs (4) or (6) above; or
 - (b) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
 - (9) "Bodily injury" or "property damage" arising out of an "occurrence" that took place before you have signed the contract or agreement with the vendor.
 - (10) To any person or organization included as an insured by another endorsement issued by us and made part of this Coverage Part.
 - (11) Any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.
- d. With respect to the insurance afforded to these vendors, the following is added to **SECTION III – LIMITS OF INSURANCE:**
- The most we will pay on behalf of the vendor for a covered claim is the lesser of the amount of insurance:
- 1. Required by the contract or agreement described in Paragraph a.; or
 - 2. Available under the applicable Limits of Insurance shown in the Declarations;
- This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

2. Aggregate Limit Per Location

- a. **SECTION III – LIMITS OF INSURANCE**, the General Aggregate Limit applies separately to each of your "locations" owned by or rented to you.
- b. For purpose of this coverage only, the following is added to **SECTION V – DEFINITIONS:**

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

3. Alienated Premises

SECTION I – COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Paragraph 2. Exclusions, subparagraph j.(2) is replaced by the following:

- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises and occurred from hazards that were known by you, or should have reasonably been known by you, at the time the property was transferred or abandoned.

4. Broad Form Named Insured

If you are designated in the Declarations as anything other than an individual, then any organization:

- a. Over which you maintained a combined ownership interest of more than 50% on the effective date of this policy;
- b. That is not a partnership, joint venture or limited liability company; and
- c. That is not excluded by any endorsement to this policy, will qualify as a Named Insured if there is no other similar insurance available to that organization, or that would be available but for exhaustion of its limits.

Any such organization will cease to qualify as a Named Insured as of the date during the policy period when the combined ownership interest of the Named Insureds in the organization equals or falls below 50%.

5. Extended Property Damage

SECTION I – COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Paragraph 2. Exclusions, subparagraph a. is replaced by the following:

a. Expected or Intended Injury

Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of

reasonable force to protect persons or property.

6. **Incidental Malpractice – Employed Nurses, EMT's and Paramedics**

SECTION II – WHO IS AN INSURED, Paragraph 2.a.(1)(d) does not apply to a nurse, emergency medical technician or paramedic employed by you if you are not engaged in the business or occupation of providing medical, paramedical, surgical, dental, x-ray or nursing services.

7. **Mobile Equipment Redefined**

SECTION V – DEFINITIONS, Definition 12. "Mobile equipment", Paragraph f.(1) does not apply to self-propelled vehicles of less than 1,000 pounds gross vehicle weight.

8. **Personal Injury – Broad Form**

a. **SECTION I – COVERAGES, COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**, Paragraph 2. Exclusions, subparagraph e. is deleted.

b. **SECTION V – DEFINITIONS**, Definition 14, "Personal and advertising injury" subparagraph b. is replaced by the following:

b. Malicious prosecution or abuse of process.

c. The following is added to **SECTION V – DEFINITIONS**, Definition 14. "Personal and advertising injury":

"Discrimination" (unless insurance thereof is prohibited by law) that results in injury to the feelings or reputation of a natural person, but only if such "discrimination" is:

(1) Not done intentionally by or at the direction of:

(a) The insured;

(b) Any officer of the corporation, director, stockholder, partner or member of the insured; and

(2) Not directly or indirectly related to an "employee", not to the employment, prospective employment or termination of any person or persons by an insured.

d. The following is added to **SECTION V – DEFINITIONS**:

"Discrimination" means the unlawful treatment of individuals based upon race, color, ethnic origin, gender, religion, age, or sexual preference. "Discrimination" does not include the unlawful treatment of individuals based upon developmental, physical, cognitive, mental, sensory or emotional impairment or any combination of these.

e. This coverage does not apply if **COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY** is excluded either by the provisions of the Coverage Form or by endorsement.

9. **Property Damage Legal Liability – Broad Form**

a. **SECTION I – COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, the last paragraph (after the exclusions) is replaced by the following:

Exclusions c. through n. do not apply to damage by fire, lightning, explosion, smoke or leakage from fire protective systems to premises while rented to you or temporarily occupied by you with the permission of the owner. A separate limit of insurance applies to this coverage as described in **SECTION III – LIMITS OF INSURANCE**.

b. **SECTION III – LIMITS OF INSURANCE**, Paragraph 6. is replaced by the following:

6. Subject to Paragraph 5. above, The Damage to Premises Rented to You Limit is the most we will pay under **COVERAGE A** for damages because of "property damage" to any one premises from fire, lightning, explosion, smoke and leakage from fire protective systems to premises, while rented to you or temporarily occupied by you with permission of the owner.

The Damage to Premises Rented to You Limit is the higher of:

a. \$1,000,000; or

b. The Damage to Premises Rented to You Limit shown in the Declarations.

This limit will apply to all damage caused by the same event, whether such damage results from fire, lightning, explosion, smoke, leakage from fire protective systems or any combination of any of these.

c. **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 4. **Other Insurance**, subparagraph b. **Excess Insurance**, item (a)(ii) is replaced by the following:

(ii) That is fire, lightning, explosion, smoke or leakage from fire protective systems insurance for premises rented to you or temporarily occupied by you with permission of the owner; or

d. **SECTION V – DEFINITIONS**, Definition 9. "Insured contract", Paragraph a. is replaced by the following:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning, explosion, smoke or leakage from fire protective systems to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract".
- e. This coverage does not apply if Damage to Premises Rented to You is excluded either by the provisions of the Coverage Part or by endorsement.

10. Tenants in Common – Broad Form Insured

- a. The following is added to **SECTION II – WHO IS AN INSURED**:

Tenants in Common – Broad Form Insured

If you are a "Tenants in common", you are an insured. Your "investors" are also insureds, but only with respect to their liability as "investors" in the "tenants in common" premises scheduled on the policy. This applies only if a written agreement was executed prior to the "bodily injury", "property damage", or "personal injury and advertising injury", confirming each "investor's" ownership interests in the specific properties to which the "tenants in common" ownership arrangement applies.

- b. **SECTION II – WHO IS AN INSURED**, Paragraph 3. is replaced by the following:
 - 3. Any organization you newly acquire or form, other than a partnership, joint venture, limited liability company, or "tenants in common", and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the end of the policy period;
- b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offence committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture, limited liability company, or "tenants in common" that is not shown as a Named Insured in the Declarations.

- c. For purposes of the coverage under this endorsement only, the following is added to **SECTION V – DEFINITIONS**:

"Investor" means:

- a. Any organization formed to hold the fractional ownership of interest in the "tenants in common" premises scheduled on the policy; or
- b. Each individual that holds a fractional ownership of the "tenants in common" premises scheduled on the policy, or
- c. The spouse of each individual identified in paragraph **b.** above.

"Tenants in common" means a form of real estate ownership in which an "investor" holds real estate property in common with up to 34 other "investors", each "investor" having distinct but fractional ownership interests in the property(s).

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.

COMMERCIAL GENERAL LIABILITY
CG 00 01 04 13

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

- (2) The "bodily injury" or "property damage" occurs during the policy period; and

- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
 - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
 - (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
 - (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
 - (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i) Any insured; or
 - (ii) Any person or organization for whom you may be legally responsible; or
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
 - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of:

- (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
- (b) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;

- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III – Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

However, this exclusion does not apply to liability for damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

Exclusions c. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III – Limits Of Insurance.

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:
 - (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
 - (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.
- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 14.a., b. and c. of "personal and advertising injury" under the Definitions section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Recording And Distribution Of Material Or Information In Violation Of Law

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

COVERAGE C – MEDICAL PAYMENTS**1. Insuring Agreement**

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
 - (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations;
 provided that:
 - (a) The accident takes place in the "coverage territory" and during the policy period;
 - (b) The expenses are incurred and reported to us within one year of the date of the accident; and
 - (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
 - (1) First aid administered at the time of an accident;
 - (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

- a. **Any Insured**
To any insured, except "volunteer workers".
- b. **Hired Person**
To a person hired to do work for or on behalf of any insured or a tenant of any insured.
- c. **Injury On Normally Occupied Premises**
To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers' Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

- 1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
 - a. All expenses we incur.
 - b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
 - e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
 - f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
 - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - b. This insurance applies to such liability assumed by the insured;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
 - d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
 - e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
 - f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and
 - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I – Coverage A – Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:
 - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
 - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
 - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a) Owned, occupied or used by;
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by:
you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

- c. Any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.

- d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- a. Insureds;
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits".

2. The General Aggregate Limit is the most we will pay for the sum of:

- a. Medical expenses under Coverage **C**;
- b. Damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
- c. Damages under Coverage **B**.

3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to Paragraph 2. above, the Personal And Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage **A**; and
 - b. Medical expenses under Coverage **C** because of all "bodily injury" and "property damage" arising out of any one "occurrence".
6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and

- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

b. Excess Insurance

(1) This insurance is excess over:

- (a) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
 - (ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
 - (iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
 - (iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** – Coverage **A** – Bodily Injury And Property Damage Liability.
- (b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured.

(2) When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (b) The total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;

- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
 2. "Auto" means:
 - a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.
- However, "auto" does not include "mobile equipment".
3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
 4. "Coverage territory" means:
 - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
 - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication; provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.
 5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
 6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.
 7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
 8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
 - a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
 - f. The use of another's advertising idea in your "advertisement"; or
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:
 - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
 - (3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
 - a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
21. "Your product":
 - a. Means:
 - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
 - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
 - b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2) The providing of or failure to provide warnings or instructions.
22. "Your work":
 - a. Means:
 - (1) Work or operations performed by you or on your behalf; and
 - (2) Materials, parts or equipment furnished in connection with such work or operations.
 - b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
 - (2) The providing of or failure to provide warnings or instructions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION – ACCESS OR DISCLOSURE OF
CONFIDENTIAL OR PERSONAL INFORMATION AND
DATA-RELATED LIABILITY – WITH
LIMITED BODILY INJURY EXCEPTION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Exclusion 2.p. of Section I – Coverage A – Bodily Injury And Property Damage Liability is replaced by the following:

2. Exclusions

This insurance does not apply to:

- p. **Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability**

Damages arising out of:

- (1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph (1) or (2) above.

However, unless Paragraph (1) above applies, this exclusion does not apply to damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

- B. The following is added to Paragraph 2. **Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TOTAL POLLUTION EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion f. under Paragraph 2., **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

This insurance does not apply to:

f. Pollution

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

- (2) Any loss, cost or expense arising out of any:
 - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
 - (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FUNGI OR BACTERIA EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. The following exclusion is added to Paragraph 2. **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**
2. **Exclusions**
- This insurance does not apply to:
- Fungi Or Bacteria**
- a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.
- This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.
- B. The following exclusion is added to Paragraph 2. **Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**
2. **Exclusions**
- This insurance does not apply to:
- Fungi Or Bacteria**
- a. "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.
- b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.
- C. The following definition is added to the **Definitions** Section:
- "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

COMMERCIAL GENERAL LIABILITY
CG 21 73 01 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism".

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Part to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part.

2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and

b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

C. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.

COMMERCIAL GENERAL LIABILITY
CG 21 96 03 05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SILICA OR SILICA-RELATED DUST EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

2. Exclusions

This insurance does not apply to:

Silica Or Silica-Related Dust

- a. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
- b. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- c. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

2. Exclusions

This insurance does not apply to:

Silica Or Silica-Related Dust

- a. "Personal and advertising injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- b. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

C. The following definitions are added to the Definitions Section:

1. "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
2. "Silica-related dust" means a mixture or combination of silica and other dust or particles.

EXHIBIT 2

VERLAN FIRE INSURANCE COMPANY
 (A New Hampshire Stock Insurance Company)
 40 Columbia Corporate Center
 10480 Little Patuxent Parkway
 Suite 500
 Columbia, Maryland 21044
 301-495-7722 Fax 301-495-9425

COMPREHENSIVE PROPERTY DAMAGE POLICY
DECLARATIONS PAGE

Named Insured and Mailing Address:

Global Distribution Center, LLC
 29180 Glenwood Road
 Perrysburg, OH 43551

Policy Number: M004261-16

Policy Period -

Inception: 08/04/2016

Expiration: 08/04/2017

Both dates to commence at 12:01 a.m. Standard
 Time at the Named Insured's mailing address
 unless otherwise amended.

7 = Accounts Receivable	BD = Buildings	BI = Business Income	BR = Builders Risk
= Certified Act of Terrorism	EB = Equipment Breakdown	EE = Extra Expense	EQ = Earthquake
= Flood	IS = Information Systems	LI = Leasehold Improvements	OL = Ordinance or Law
PE = Property on Exhibition	PP = Personal Property	RV = Rental Value	SP = Special
TR = Property in Transit	UD = Utility Services Direct Damage	UT = Utility Services Time Element	VP = Valuable Papers

Schedule of Locations, Coverages, Limits of Liability and Premiums

<u>Item #</u>	<u>Loc #</u>	<u>Location</u>	<u>Coverage</u>	<u>Limit</u>	<u>Premium</u>
1	11909	29180 Glenwood Road, Bldg 48 Perrysburg, OH 43551	Blanket BD	\$ 16,000,000	\$ 22,400
			RV	\$ 120,000	\$ 168
2	****		EB		\$ 1,805
Total Premium					\$ 24,373

Subject to the Following Form(s) and Endorsements:

VFIC-01 (06/04)	VFIC-01-OH (06/15)	VFIC-01-OH-NOT (12/04)
VFIC-02 (06/04)	VFIC-13 (06/04)	VFIC-24-SCH (06/04)
VFIC-24 (06/15)	VFIC-27 (06/04)	VFIC-29 (01/15)
VFIC-31 (01/15)		

COMPREHENSIVE PROPERTY DAMAGE POLICY
DECLARATIONS PAGE (cont.)

Deductible: \$75,000

Deductible Exceptions:

See form(s):
VFIC-24-SCH (06/04)

Additional Interests (Subject to Loss Payable Clause in Policy):

None

Special Provisions:

In Form VFIC-01 (06/04), Section XI. VALUATION, Paragraph A. is amended so the basis for adjustment for buildings is Actual Cash Value.

As respects Form VFIC-02 (06/04) business income and extra expense coverages are excluded under this policy.

All idle tanks, silos, piping and other idle machinery and equipment located east of building 48 are excluded from coverage under this policy.

Coverage for vacant and/or idle buildings is not provided under this policy.

Broker, Address and Contact:

The Knight Insurance Group
22 North Erie Street
Toledo, OH 43604

Allison Hammons, CIC, CPIW
419-254-2422

Fax: 844-201-0753

Date: 08/04/16



Authorized Signature

Various provisions in this Endorsement restrict coverage. Read this Endorsement and the entire policy carefully to determine rights, duties and what is and is not covered.

VERLAN FIRE INSURANCE COMPANY

"EQUIPMENT BREAKDOWN" DEDUCTIBLES AND LIMITS EXCEPTIONS SCHEDULE

This Endorsement modifies and is subject to the insurance provided under the following:

COMPREHENSIVE PROPERTY DAMAGE POLICY
and the following endorsement attached thereto:

"Equipment Breakdown" Coverage

Named Insured and Mailing Address:

Global Distribution Center, LLC
29180 Glenwood Road
Perrysburg, OH 43551

Attached to Policy: M004261-16

Policy Period -

Inception: 08/04/2016

Expiration: 08/04/2017

The following deductibles apply to coverage provided under the "Equipment Breakdown" Coverage:

Insured Location(s): 11909 29180 Glenwood Road, Bldg 48
Perrysburg, OH 43551

COVERAGE

DEDUCTIBLES: DOLLAR, TIME OR MULTIPLE OF AVERAGE DAILY VALUE

Property Damage \$ 75,000

Rental Value 2 times average daily value

"Equipment Breakdown" Coverage

Special Provisions: None

Various provisions in this Endorsement restrict coverage. Read this Endorsement and the entire policy carefully to determine rights, duties and what is and is not covered.

This notice is attached to and made part of your policy in response to the disclosure requirements of the Terrorism Risk Insurance Act, as amended. This notice does not grant any coverage or change the terms and conditions of any coverage under this policy. If there is a conflict between this notice and the policy, the provisions of the policy shall apply.

VERLAN FIRE INSURANCE COMPANY

NOTICE - REJECTION OF TERRORISM COVERAGE AND DISCLOSURE OF PREMIUM

This Endorsement modifies and is subject to the insurance provided under the following:

COMPREHENSIVE PROPERTY DAMAGE POLICY
and all endorsements attached thereto:

Named Insured and Mailing Address:

Global Distribution Center, LLC
29180 Glenwood Road
Perrysburg, OH 43551

Policy Number: M004261-16

Policy Period -

Inception: 08/04/2016

Expiration: 08/04/2017

Schedule

REJECTION STATEMENT

You have rejected the offer of terrorism coverage. You understand that an **exclusion** for certain terrorism losses will be made part of your policy.

Disclosure of Premium:

Total Terrorism Premium \$ 678

Fire Following Premium \$ 0

You have rejected coverage for "acts of terrorism," as defined in Section 102(1) of the Terrorism Risk Insurance Act ("Act") and an exclusion will be included in your policy. You are hereby notified that under the Act, as amended in 2015, the definition of "act of terrorism" is:

Any act or acts that are certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States government by coercion.

Note for Commercial Property or Commercial Inland Marine Policyholders in Standard Fire States:

In your state, a terrorism exclusion makes an exception for (and thereby provides coverage for) fire losses resulting from an act of terrorism. Therefore, if you reject the offer of terrorism coverage, that rejection does not apply to fire losses resulting from an act of terrorism. Coverage for such fire losses will be provided in your policy. The additional premium just for such fire coverage is described as Fire Following Premium in the Schedule above.

Disclosure of Federal Participation in Payment of Terrorism Losses

The United States government through the Department of the Treasury may pay a share of terrorism losses insured under the federal program under a formula set forth in the Act. Under this formula, the United States government generally reimburses the following percentage of covered terrorism loss which exceeds the statutorily established deductible paid by the insurance company providing the coverage: 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019; and 80% beginning on January 1, 2020.

Cap on Insurer Participation in Payment of Terrorism Losses

The Act contains a \$100 billion cap that limits the reimbursement by the United States government as well as insurers' liability for losses resulting from certified acts of terrorism. If the aggregate of insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Act, we will not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion. In such case, insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

VERLAN FIRE INSURANCE COMPANY

COMPREHENSIVE PROPERTY DAMAGE POLICY

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

In reliance upon the information you have given us, we agree to provide coverage to you consistent with the Declarations and the terms and Conditions of this policy. In return, you must pay the premium when due and comply with all the terms and Conditions of this policy, and promptly inform us of any change in title, use or occupancy of the Covered Property. This policy applies only to losses that occur during the policy period, which is shown in the Declarations of this policy. This policy is not complete without the Declarations Page.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations of this policy. The words "we," "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to the Definitions section of this policy.

I. COVERAGE

We will pay for direct physical loss of or damage to Covered Property for which a limit is shown in the Declarations of this policy unless the loss or damage is caused by an excluded cause of loss. Any other type of insurance coverage shall be in writing and contained in a specific endorsement referenced in the Declarations of this policy.

II. COVERED PROPERTY

We will cover the following property, but only to the extent of your financial interest in the Covered Property:

- A. All buildings and structures of every description at the location described in the Declarations of this policy which are owned or used by you, including buildings or structures while in the course of construction, installation or repair;
- B. Improvements and betterments to buildings and structures not owned by you;
- C. All personal property owned by you and used in your business while at the location described in the Declarations of this policy or within 500 feet thereof;
- D. All personal property owned by others in your care, custody or control while at the location described in the Declarations of this policy or within 500 feet thereof;
- E. Rolling stock, aircraft and watercraft, but only while such rolling stock, aircraft and watercraft are in your care, custody or control at the location described in the Declarations of this policy;
- F. Mobile equipment owned by you, or owned by others if such non-owned equipment is in your care, custody or control, while at the location described in the Declarations of this policy or within 500 feet thereof. Mobile equipment does not include vehicles and other self-propelled, motorized machines licensed for road use.

III. PROPERTY NOT COVERED

This policy does not cover the following:

- A. Land, including any interest therein;
- B. Water, including but not limited to, ground water, bodies of water, water courses and waterways;
- C. Accounts, bills, deeds, notes, lottery tickets, currency, bullion and evidences of debt or title;
- D. Excavation, grading or filling, backfilling, bridges, walks, roadways and other paved surfaces;
- E. All pilings, piers, wharves, docks, dams and tunnels;
- F. Animals, whether held for sale or not;
- G. Vehicles and other self-propelled, motorized machines licensed for road use or operated primarily away from your premises;
- H. Property which is covered in whole or in part by any other contract of insurance, except for the amount of loss which is in excess of the amount due, whether collectible or not, from such insurance (See the Other Insurance Condition in this form);
- I. Contraband or property being illegally traded or transported.

IV. EXCLUSIONS

- A. We will not pay for loss or damage proximately caused by any of the following:

- 1. Intentional, dishonest or criminal acts by you or any of your employees, members, officers, managers, partners, directors, trustees, authorized representatives, or anyone to whom you entrust property for any purpose, whether acting alone or in collusion with others, and whether or not the act(s) was committed during the hours of employment;

This Exclusion applies whether or not anyone is actually charged with or convicted of a crime.

This Exclusion does not apply to acts of destruction by your employees (including leased employees), but theft by employees (including leased employees) is not covered.

- 2. Parting with title or possession of any property by you or anyone to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense;
 - 3. Any unexplained loss, mysterious disappearance, or loss or shortage disclosed on taking inventory;
 - 4. The cost of making good faulty or defective material, faulty workmanship, errors or omissions in design, errors in processing or manufacture of your products;
 - 5. Mechanical or machinery breakdown or derangement, including rupture or bursting caused by centrifugal force and the rupture, bursting or operation of pressure relief devices;

6. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. However, if fire results from such an explosion, we will pay for that portion of the loss proximately caused by fire. We will also pay for loss from explosion proximately caused by the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which gases of the combustion pass;
7. Artificially generated electrical current, unless loss by fire results, in which case we will pay for only that portion of the loss proximately caused by fire. Electrical arcing itself does not constitute fire;
8. Delay or loss of market;
9. Deterioration, inherent vice, latent defect, wear and tear, dampness of atmosphere, extremes of temperature, smog, shrinkage, evaporation, loss of weight, rust, corrosion, wet or dry rot, change in flavor or color or odor or texture or finish, marring or scratching;
10. Settling, cracking, bulging, shrinkage or expansion in foundations, walls, floors or ceilings;
11. Costs, expenses, fines or penalties incurred or sustained by or imposed on you at the order of any governmental agency, court or other authority arising from any cause whatsoever;
12. Your neglect to take all reasonable and necessary steps to avoid loss in the event of actual or imminent loss or threat of loss;
13. Loss of use of any property;
14. Continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of ten (10) days or more;
15. "Collapse," except as provided elsewhere in this policy;
16. Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except from fire protective systems) caused by or resulting from freezing, unless:
 - a. You exercise reasonable care to maintain heat in the building or structure; or
 - b. You drain the equipment and shut off the supply if the heat is not maintained.
17. Insects, birds, rodents or other animals;
18. Smoke, vapor or gas from industrial or agricultural operations;
19. Rain, snow, ice or sleet to business personal property in the open.

- B. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage:
1. Hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack:
 - a. By any government or sovereign power (de jure or de facto), or by any authority maintaining or using military, naval or air forces;
 - b. By military, naval or air forces;
 - c. By an agent of any such government, power, authority or forces;
 2. Any weapon of war employing atomic fission or radioactive force whether in time of peace or war;
 3. Insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such an occurrence, seizure or destruction under quarantine or Customs regulations, confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade;
 4. Nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled;
 5. Earth movement; however, if fire, sprinkler leakage, or explosion results, we will pay for that portion of the loss proximately caused by fire, sprinkler leakage or explosion. Earth movement includes but is not limited to: earthquake; landslide; volcanic eruption, explosion or effusion; sinking, rising or shifting of the earth; mine subsidence; and mudslide or mudflow;
 6. Except as provided elsewhere in this policy, the actual, alleged or threatened release, discharge, seepage, migration, escape or dispersal of "pollutants;"
 7. Water, including flood, tides, tidal waves, waves, high water, overflow of water, surface water (all whether driven by wind or not), and water under the ground surface. However, if fire, sprinkler leakage or explosion results, we will pay for that portion of the loss proximately caused by fire, sprinkler leakage or explosion;
 8. Backing up of sewers, drains or sumps, or seepage below ground level;
 9. The failure of power or other utility service supplied to the location scheduled in the Declarations of this policy, however caused, if the failure occurs away from the scheduled location. Failure includes lack of sufficient capacity and reduction in supply. But if the failure of power or other utility service results in fire, sprinkler leakage or explosion, we will pay for that portion of the loss proximately caused by fire, sprinkler leakage or explosion;
 10. The presence of asbestos or lead;
 11. The enforcement of any ordinance or law regulating the construction, use or repair of any property; or requiring the tearing down of any property, including the cost of removing its debris;

This Exclusion applies whether the loss results from an ordinance or law that is enforced, even if the property has not been damaged, or the increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property or removal of its debris following a physical loss to that property.

12. Except as covered elsewhere in this policy, the presence, growth, proliferation, spread or any activity of "fungus," wet or dry rot, or bacteria. But if "fungus," wet or dry rot or bacteria results in fire, sprinkler leakage or explosion, we will pay for that portion of the loss proximately caused by fire, sprinkler leakage or explosion.
- C. We will not pay for loss or damage caused by or resulting from any of the following:
1. Weather conditions: This Exclusion only applies if weather conditions contribute in any way with a cause of loss excluded elsewhere in this policy;
 2. Acts or decisions, including the failure to act or decide, by any person, group, organization or any governmental body;
 3. Faulty, inadequate or defective:
 - a. Planning, zoning, development, surveying, siting;
 - b. Design, specifications, workmanship, repair, construction, renovation, grading, compaction;
 - c. Materials used in repair, construction, renovation or remodeling; or
 - d. Maintenance
- of part or all of any property on or off the locations covered by this policy.

But if a cause of loss not excluded elsewhere in this policy results from the causes of loss excluded in C. above, we will pay that portion of the loss proximately caused by the cause of loss not otherwise excluded.

V. EXTENSIONS OF COVERAGE

For the following types of property, we will only pay your actual loss up to the Limit of Insurance shown for each type. All causes of loss, Conditions, Exclusions, deductibles and other provisions in this policy also apply to the property shown below. These limits are included as part of the total building and personal property limits for each location shown in the Declarations of this policy. The following limits are the most we will pay for all direct and indirect loss or damage to the property shown below for all coverages including, but not limited to, Property Damage and/or Business Income and Extra Expense (including Rental Value).

- A. \$10,000 for landscaping, crops, lawns, trees, plants, shrubs and standing timber;
- B. \$25,000 for fences or retaining walls;
- C. \$10,000 for jewelry, antiques, furs, precious stones, precious metals and fine art;
- D. \$10,000 for property while in the course of transit on vehicles you own, lease or operate or in the custody of a carrier or bailee for hire;

- E. \$10,000 for personal property owned by you and used in your business while more than 500 feet away from the location described in the Declarations of this policy, but not while in or on a vehicle;
- F. \$10,000 for accounts receivable. Accounts receivable includes:
 - 1. All amounts due from your customers that you are unable to collect;
 - 2. Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
 - 3. Collection expenses in excess of your normal collection expenses that are made necessary by the loss; and
 - 4. Other reasonable expenses that you incur to reestablish your records of accounts receivable, including credit or charge card slips.
- G. \$5,000 for the cost to replace or restore the lost information on valuable papers and records for which duplicates do not exist. This extension does not apply to valuable papers and records that exist as electronic data;
- H. \$5,000 for electronic data, media, programs and software. Data is information that has been converted to a form usable in electronic format and includes computer programs. Media is the material on which data is recorded;
- I. \$2,500 for currency, money and securities;
- J. \$1,000 for fire department service charges, without application of any deductible, that are:
 - 1. Assumed by contract or agreement prior to loss; or
 - 2. Required by local ordinance.
- K. \$1,000 for personal property owned by you and used in your business while in the care, custody and control of each of your salespersons;
- L. Newly Acquired or Constructed Property
 - 1. Buildings

If this policy covers Buildings, you may extend that insurance to apply to:

 - a. Your new buildings while being built on the described premises;
and
 - b. Buildings you acquire at locations, other than the described premises, intended for:
 - (1) Similar use as the building described in the Declarations of this policy; or
 - (2) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$500,000 at each building.

2. Your Business Personal Property

If this policy covers your Business Personal Property, you may extend that insurance to apply to:

- a. Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions;
- b. Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations of this policy; or
- c. Business personal property that you newly acquire, located at the described premises.

The most we will pay for loss or damage under this Extension is \$250,000 at each building.

This Extension does not apply to:

- a. Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or
- b. Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

3. Period of Coverage

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

- a. This policy expires;
- b. Thirty (30) days elapse after you acquire the property or begin construction of that part of the building that would qualify as Covered Property; or
- c. You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as Covered Property.

VI. ADDITIONAL COVERAGES

The following are in addition to the total limits shown in the Declarations of this policy for covered buildings and/or business personal property at locations scheduled in the Declarations of this policy. These limits are the most we will pay for all direct and indirect loss or damage to the property shown below for all coverages including, but not limited to, Property Damage and/or Business Income and Extra Expense (including Rental Value):

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- A. We will pay up to \$25,000 for the expense to extract "pollutants" from land or water at the locations described in the Declarations of this policy if the discharge, dispersal, seepage, migration, release or escape of "pollutants" is caused by or results from a Covered Cause of Loss occurring during the policy period. The expenses will be paid only if they are reported to us in writing within one-hundred eighty (180) days of the date on which the Covered Cause of Loss occurs. This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants." But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water. The most we will pay for any one occurrence is \$25,000 even if the "pollutants" continue to be present or active or recur after this policy's expiration or cancellation date.
 - B. We will pay up to \$15,000 for loss or damage to Covered Property caused by "fungus," wet or dry rot or bacteria if that loss or damage results from a Covered Cause of Loss other than fire or lightning. The expenses will be paid only if they are reported to us in writing within one-hundred eighty (180) days of the date on which the Covered Cause of Loss occurs. This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "fungus," wet or dry rot or bacteria. The most we will pay for any one occurrence is \$15,000 even if the "fungus," wet or dry rot, or bacteria continues to be present or active or recurs after this policy's expiration or cancellation date.

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VII. DEBRIS REMOVAL

This policy covers expenses incurred in the removal of debris of Covered Property which may be occasioned by loss or damage caused by any of the Covered Causes of Loss insured against in this policy. However, the total liability under this policy for both loss to property and removal of debris shall not exceed the total Limit of Insurance specified in the Declarations of this policy for building and personal property coverages at the location scheduled in the Declarations of this policy. The expenses will be paid only if reported to us in writing within one-hundred eighty (180) days of the date of direct physical loss or damage.

Unless liability is otherwise specifically assumed by endorsement referenced in the Declarations of this policy and attached to this policy, we shall not be liable for debris removal expense occasioned by the enforcement of any law or ordinance which necessitates the demolition of any portion of the Covered Property which has not suffered damage by a Covered Cause of Loss.

It is agreed that we will not pay the expense to:

- A. Extract "pollutants" from the debris, land, water, or atmosphere; or
- B. Remove, restore or replace land or water damaged by "pollutants."

VIII. COLLAPSE

We will cover direct physical loss to Covered Property caused by "collapse" if proximately caused by one of the following causes of loss:

- A. Fire;
- B. Lightning;
- C. Explosion;
- D. Falling objects;

- E. Weight of ice, snow, sleet or rain that collects on the roof;
- F. Hidden decay not known to you prior to the "collapse;"
- G. Insect or vermin damage not known to you prior to the "collapse;"
- H. Weight of contents; or
- I. Use of defective materials or methods for construction or renovation if the "collapse" occurs during the course of the construction or renovation.

IX. CONDITIONS

A. Limits of Insurance

The most we will pay for each loss at each location scheduled in the Declarations of this policy shall not exceed the total Limit of Insurance specified for that location in the Declarations of this policy. While the Limit of Insurance so specified for each location constitutes our and your best estimate of the replacement cost of the insured property at that location, our liability under this policy will in no event exceed the Limit of Insurance shown in the Declarations of this policy for each location.

B. Deductible

A deductible in an amount specified in the Declarations of this policy shall be deducted from the amounts paid for each loss under this policy. Our obligation under this policy shall therefore apply only to a covered loss, if any, in excess of the deductible amount. This deductible shall apply separately to each and every such loss at each and every location scheduled in the Declarations of this policy. The deductible will not reduce the Limits of Insurance.

C. Territory

Subject to the terms, Conditions and Exclusions, this policy covers the insured property only within the continental limits of the United States of America (including Alaska and Hawaii), its territories or possessions, Puerto Rico, or Canada.

D. Other Insurance

This policy shall not provide coverage to the extent that any other insurance, of any type, directly or indirectly covers the same loss; we shall be liable for such loss or damage only to the extent that the amount of loss exceeds the coverage provided by other insurance, whether collectible or not.

E. Misrepresentation or Concealment

This entire policy shall be void from its inception if you have obtained this policy through misrepresentation or concealment of a material fact, or if you misrepresent or conceal a material fact concerning a claim under this policy.

F. Records for Valuation of Loss

You must maintain accurate records of all purchases, sales and other transactions in such a manner that we can accurately determine from your records the amount of any loss.

G. Your Duties After a Loss

The following duties are conditions to any payment to you under this policy:

1. Notice of Loss: You must report to us in writing each and every loss which may give rise to a claim under this policy as soon as possible and, in no event, later than thirty (30) days after you become aware of such loss. The report shall include a description of how, when and where the loss occurred. In addition, you must promptly notify the police if the loss may be a result of a crime.
2. Proof of Loss: You must submit a sworn statement in proof of loss, stating the place, date, time and cause of the loss, your interest and that of anyone else in the property, the value and the amount of loss for each item of property, and any other information and supporting documentation we request in order to investigate your claim. You must do this within sixty (60) days after our request, unless we extend that time in writing. We will provide you with the necessary sworn statement in proof of loss form at the time of our request.
3. Protection of Covered Property: In the event of actual or imminent loss of or damage to insured property by any Covered Cause of Loss, you are required to take all reasonable and necessary steps to avoid or mitigate any loss or damage.
4. Cooperation: You must provide us with the cooperation and assistance we and our representatives request for the investigation of a claim, including, but not limited to, permitting inspection of your property, examination and copying of your books and records, and sampling of both damaged and undamaged property for testing and analysis.
5. Examination Under Oath: At our request, you, your employees, agents and representatives, must submit to examination under oath separately and while outside the presence of each other. The examination may be videotaped and/or transcribed, and in the latter case, the transcript must be signed and returned by the individual submitting to the examination within ten (10) days of receiving the transcript.

H. Abandonment

There can be no abandonment to us of any property.

I. Inspections and Surveys

We have the right, but are not obligated, to:

1. Make inspections and surveys at any time;
2. Give you reports on the conditions we find; and
3. Recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

1. Are safe or healthful; or
2. Comply with laws, regulations, codes or standards.

This condition applies not only to us and our representatives, but also to any rating, advisory, rate service or similar organization that makes insurance inspections, surveys, reports or recommendations on our behalf.

J. Calculation of Premium

The premium shown in the Declarations of this policy was computed based on rates in effect at the time the policy was issued. On each renewal or anniversary date of this policy, we will compute the premium in accordance with our rates and rules then in effect. If there are any changes made to the policy during the policy period, the rates and rules in effect at the policy inception or anniversary date will apply to such change.

K. Payment of Premium

The first Named Insured shown in the Declarations of this policy is responsible for the payment of all premiums and will be the payee for any return premiums we pay unless an alternate payee is designated by you in writing.

L. Fire Protective Systems

You shall use due diligence to maintain your fire protective systems in complete working order, without interruption or significant change, unless you have obtained our prior consent for such interruption or significant change.

M. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual Named Insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

N. Insurance Under Two or More Coverages

If two or more coverage provisions under this policy apply to the same loss, we will not pay more than the actual amount of the loss.

O. Liberalization

If we adopt any revision that would broaden the coverage under this policy without additional premium within forty-five (45) days prior to or during the policy period, the broadened coverage will immediately apply to this policy.

X. CONDITIONS SUSPENDING OR RESTRICTING INSURANCE

Unless otherwise provided in a written endorsement attached to this policy, we shall not be liable for loss occurring:

- A. While the hazard is increased by any means within your control or knowledge; or
- B. While a building or structure at an insured location, whether intended for occupancy by owner or tenant, is vacant, idle or unoccupied beyond a period of sixty (60) consecutive days. Vacant means a building that does not contain enough business personal property to conduct customary operations.

XI. VALUATION

Subject to and limited by the applicable deductible and Limit of Insurance specified in the Declarations of this policy, the basis of adjustment in the event of loss shall be as follows:

- A. For all buildings, structures, improvements and betterments and personal property, the cost of repair or replacement, whichever is less, with material of like kind and quality and for the same occupancy and/or use, without deduction for depreciation. We will not pay more than the amount actually and necessarily spent to repair or replace the property. If not repaired or replaced, our liability shall be limited to the actual cash value of the property at the time of the loss;
- B. For stock in process, the value of raw materials and labor expended plus the proper proportion of overhead charges;
- C. For finished goods manufactured by you, the regular cash selling price at the location where the loss occurs, less all discounts and charges to which the merchandise would have been subject had no loss occurred; and
- D. For buildings vacant, idle or unoccupied at the time of loss (which have either been vacant for more than sixty (60) consecutive days, or are separately insured under an endorsement attached to this policy), the actual cash value. Vacant means a building that does not contain enough business personal property to conduct customary operations.

XII. SUBROGATION

- A. In the event of any payment under this policy, we shall be subrogated to the extent of such payment to all of the rights of recovery of the person or organization to whom or for whom payment is made, and they shall do anything necessary to secure such rights.
- B. The right of subrogation against you and against any of your subsidiaries or affiliated companies or any other companies associated with you through ownership or management is waived, including individuals employed by you.
- C. We shall not be obligated to pay any loss if you have impaired any right of recovery for that loss; however, it is agreed that you may release others in writing from liability for loss prior to such loss if the release is given in the normal course of business and in conformance to industry custom, and such release shall not affect your right to recover hereunder.
- D. Any amount recovered through subrogation shall first be used to reimburse us for the amounts we paid for your loss. Any remaining balance may then be used to reimburse you for your deductible or any other uninsured loss.

XIII. PAYMENT OF LOSS

All adjusted covered claims shall be due and payable sixty (60) days after the presentation and acceptance of proofs of loss at our offices if you have complied with all policy Conditions.

XIV. PARTIAL PAYMENT

In the event of a loss covered by this policy, it is agreed that we shall allow partial payment(s) of claim subject to the provisions of our normal adjustment process. To obtain said partial claim payment, you shall submit a partial proof of loss with supporting documentation. You are permitted to make claim for the actual cost incurred in effecting repairs or replacement or the agreed actual cash value of the damaged property. It is further agreed that the policy deductible must be satisfied before said partial payment(s) are allowable.

XV. APPRAISAL

After we have received your proof of loss and we fail to agree with you as to the amount of loss, you or we may make written demand for an appraisal. Each party must then select a competent appraiser and notify the other of the identity of the appraiser within fifteen (15) days after the demand is received. The appraisers shall first select a competent and impartial umpire. After fifteen (15) days, if the appraisers fail to agree upon an umpire, either you or we may then request that an umpire be selected by a judge of a court with jurisdiction in the state or commonwealth where the insured property is located.

The appraisers shall then, at a reasonable time and place, appraise the loss (stating separately the value at the time of loss and the amount of loss) and if they fail to agree, they shall submit their differences to the umpire. An award in writing by any two of the three shall, in that event, determine the amount of loss.

You and we shall each pay our chosen appraiser and shall bear equally the other expenses of the appraisal, including the umpire. The amount of the appraisers' compensation shall not be contingent upon the amount of the appraisal award.

XVI. SUIT AGAINST US

No suit or action under this policy for the recovery of any claim shall be sustainable in any court of law or equity unless you have fully complied with all the terms and Conditions of this policy, and unless commenced within eighteen (18) months after the date of the loss.

XVII. MORTGAGEES AND LOSS PAYEES

A. A covered loss will be payable to both you and any mortgagee(s) and/or loss payee(s) identified in the Declarations of this policy, to the extent of their respective financial interests in Covered Property, and in the order of precedence, consistent with all of the provisions of this policy.

B. If we deny your claim because of your actions or your failure to comply with policy Conditions, an otherwise covered loss will be payable to any mortgagee(s) and/or loss payee(s) identified in the Declarations of this policy, to the extent of their respective financial interests in Covered Property, and in the order of precedence, consistent with all of the provisions of this policy. In that event, the mortgagee(s) and/or loss payee(s) must:

1. At our request, pay any outstanding premiums due with respect to the Covered Property in which the mortgagee(s) and/or loss payee(s) has a financial interest;
2. At our request, comply with all policy Conditions;
3. Have promptly notified us of any change in ownership, use or increase in hazard with respect to the Covered Property in which the mortgagee or loss payee has a financial interest; and
4. Transfer to us their rights of recovery against any individual or organization liable for the loss, to the extent of our payment.

- C. We will notify any mortgagee(s) and/or loss payee(s) identified in the Declarations of this policy of cancellation or non-renewal of this policy at least ten (10) days prior to the effective date of the cancellation or non-renewal. Notification via certified mail to the address listed in the policy shall be sufficient proof of notice of cancellation or non-renewal.

XVIII. CANCELLATION

- A. The first Named Insured shown in the Declarations of this policy may cancel this policy by providing us with written notice of cancellation. The cancellation will be effective on the date we receive the written notice.
- B. We may cancel this policy by mailing written notice, via certified mail, to the first Named Insured shown in the Declarations of this policy (at the last mailing address known to us), at least:
 - 1. Ten (10) days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - 2. Thirty (30) days before the effective date of cancellation if we cancel for any other reason.
- C. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- D. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- E. If notice is mailed, proof of mailing will be sufficient proof of notice.

XIX. DEFINITIONS

- A. "Collapse" means an abrupt falling down or caving in of a building or any part of a building. A building or part of a building that is still standing but in danger of collapse, or the structural integrity of which is otherwise impaired, is not considered to be in a state of collapse.
- B. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
- C. "Pollutants" means any material which, after its release, can cause or threaten damage to human health or human welfare, or causes or threatens damage, deterioration, loss of value, marketability or loss of use to Covered Property, including, but not limited to, bacteria, "fungus," viruses, or hazardous substances as listed in the Federal Water Pollution Control Act, Clean Air Act, Resource Conservation and Recovery Act of 1976, Toxic Substances Control Act, Comprehensive Environmental Response, Compensation, and Liability Act, or as designated by any other federal or state statute, or by any federal or state agency.

Various provisions in this Endorsement restrict coverage. Read this Endorsement and the entire policy carefully to determine rights, duties and what is and is not covered.

VERLAN FIRE INSURANCE COMPANY

OHIO AMENDATORY ENDORSEMENT

This Endorsement modifies and is subject to the insurance provided under the following:

COMPREHENSIVE PROPERTY DAMAGE POLICY

The following replaces Section XIII., **PAYMENT OF LOSS**:

- A. We will give you notice, within twenty-one (21) days after we receive a properly executed proof of loss and after you have complied with all policy Conditions, that we:
1. Accept your claim; however, if we pay your claim within twenty-one (21) days after we receive a properly executed proof of loss, no notice will be provided.
 2. Deny your claim; or
 3. Need more time to determine whether your claim should be accepted or denied.
- If we deny your claim, such notice will be in writing, and will state any policy provision, Condition or Exclusion used as a basis for the denial.
- If we need more time to determine whether your claim should be accepted or denied, the written notice will state the reason why more time is required.
- B. If we have not completed our investigation, we will notify you again in writing, within forty-five (45) days after the date of the initial notice as provided in Paragraph A.3. above, and thereafter every forty-five (45) days. The written notice will state why more time is needed to investigate your claim.
- C. If you receive a notice from us that we accept your claim, payment will be made within ten (10) days from the date of our notice to you.
- D. Provided you have complied with all the terms of this Policy, we will pay for covered loss or damage within:
1. 10 days after we accept your claim if such acceptance occurs within the first twenty-one (21) days after we receive a properly executed proof of loss, unless the claim involves an action by a probate court or other extraordinary circumstances as documented in the claim file; or
 2. Five days after we accept your claim if such acceptance occurs more than twenty-one (21) days after we receive a properly executed proof of loss, and
 - a. An appraisal award has been made; or
 - b. We have reached an agreement with you on the amount of loss that was in dispute.

The following is added to Section XVI., **SUIT AGAINST US**:

We consent to have suit brought against us in an Ohio court for policies delivered in, or property situated in, the state of Ohio.

The following replaces Paragraph B. in Section XVIII., **CANCELLATION**:

1. Cancellation of Policies in Effect for Ninety (90) Days or Less

If this policy has been in effect for ninety (90) days or less, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation, stating the reason for cancellation, at least:

- a. Ten (10) days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b. Thirty (30) days before the effective date of cancellation if we cancel for any other reason.

2. Cancellation of Policies in Effect for More Than Ninety (90) Days

- a. We may cancel this policy only for one or more of the following reasons, except as provided in Paragraph e. below:

- (1) Nonpayment of premium;
- (2) Discovery of fraud or material misrepresentation in the procurement of the insurance or with respect to any claims submitted thereunder;
- (3) Discovery of a moral hazard or willful or reckless acts or omissions on your part which increases any hazard insured against;
- (4) The occurrence of a change in the individual risk which substantially increases any hazard insured against after the insurance coverage has been issued or renewed except to the extent we could reasonably have foreseen the change or contemplated the risk in writing the contract;
- (5) Loss of applicable reinsurance or a substantial decrease in applicable reinsurance, if the Director of Insurance has determined that reasonable efforts have been made to prevent the loss of, or substantial decrease in, the applicable reinsurance, or to obtain replacement coverage;
- (6) Your failure to correct material violations of safety codes or to comply with reasonable written loss control recommendations; or
- (7) A determination by the Director of Insurance that the continuation of the policy would create a condition that would be hazardous to the policyholders or the public.

- b. We will mail written notice of cancellation to the first Named Insured, and agent if any, at the last mailing addresses known to us. Proof of mailing will be sufficient proof of notice.

- c. We will mail the notice of cancellation at least:

- (1) Ten (10) days before the effective date of cancellation, if we cancel for reason a.(1) above; or
- (2) Thirty (30) days before the effective date of cancellation, if we cancel for a reason stated in a.(2) through a.(7) above.

- d. The notice of cancellation will:
 - (1) State the effective date of cancellation. The policy period will end on that date.
 - (2) Contain the date of the notice and the policy number, and will state the reason for cancellation.
- e. Policies written for a term of more than one (1) year or on a continuous basis may be cancelled by us for any reason at an anniversary date, upon thirty (30) days written notice of cancellation.

The following is added and supersedes any provision to the contrary:

NONRENEWAL

- a. If we elect not to renew this policy, we will mail written notice of nonrenewal to the first Named Insured, and agent if any, at the last mailing addresses known to us. The notice will contain the date of the notice and the policy number, and will state the expiration date of the policy.
- b. We will mail the notice of nonrenewal at least thirty (30) days before the expiration date of the policy.
- c. Proof of mailing will be sufficient proof of notice.

All other terms and Conditions of the policy to which this Endorsement is attached still apply.

VERLAN FIRE INSURANCE COMPANY

IMPORTANT INFORMATION REGARDING YOUR INSURANCE - OHIO

WARNING: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

Various provisions in this Endorsement restrict coverage. Read this Endorsement and the entire policy carefully to determine rights, duties and what is and is not covered.

VERLAN FIRE INSURANCE COMPANY

“BUSINESS INCOME” AND “EXTRA EXPENSE” COVERAGE INCLUDING “RENTAL VALUE”

This Endorsement modifies and is subject to the insurance provided under the following:

COMPREHENSIVE PROPERTY DAMAGE POLICY

I. COVERAGE

- A. When a limit is shown in the Declarations of the policy to which this Endorsement is attached, we will pay for the actual loss of “business income” and “extra expense” including “rental value” you incur during the “restoration period” resulting from a “suspension” of your “business operations.” This coverage applies only if your “business operations” are necessarily suspended due to direct physical loss or damage to Covered Property resulting from a Covered Cause of Loss under the Comprehensive Property Damage Policy.

B. Additional Exclusions

Coverage under this Endorsement does not apply to any loss proximately caused by:

1. The “suspension,” lapse or cancellation of a license, lease or contract that extended, or would have extended, beyond the “restoration period;”
2. Direct physical loss or damage to finished stock, meaning stock you have manufactured, whether or not the stock has been packaged;
3. Direct physical loss or damage to radio or television antennas and satellite dishes, including their wiring, masts and towers;
4. Interference with the demolition, repair, replacement or rebuilding of lost or damaged property by strikers or any other person(s);
5. Delay of the demolition, repair, replacement or rebuilding of lost or damaged property due to the enforcement of any ordinance or law;
6. Any loss caused directly or indirectly by the failure of power or other utility service supplied to the covered location, regardless of cause, if the failure occurs outside of a building described in the Declarations of the policy to which this Endorsement is attached. Failure includes lack of capacity and/or reduction of supply. However, if a power or utility service failure results in a Covered Cause of Loss, we will pay for the resultant loss or damage from that Covered Cause of Loss;
7. Any other indirect, consequential or remote loss or expenses;

C. Additional Coverage – Civil Authority

We will pay for the actual loss of "business income" and "extra expense" including "rental value" you incur caused by the action of a civil authority that prohibits access to the location described in the Declarations of the policy to which this Endorsement is attached due to a direct physical loss to property other than at the covered location. The loss must be caused by or result from a Covered Cause of Loss. Coverage will begin seventy-two (72) hours after the time of the action of the civil authority and will end:

1. Three (3) consecutive weeks after the action begins; or
2. When your "business income" and "extra expense" including "rental value" coverage ends;

whichever is sooner.

II. DEDUCTIBLE

The deductible that applies under the Comprehensive Property Damage Policy also applies to any loss covered under this Endorsement. The deductible will not reduce the Limit of Insurance.

III. LIMIT OF INSURANCE

The most we will pay for loss in any one occurrence is the applicable Limit of Insurance shown for "Business Income" and "Extra Expense" Including "Rental Value" Coverage for specified locations shown in the Declarations of the policy to which this Endorsement is attached. Payments under Section I.C., Additional Coverage – Civil Authority, will not increase the Limits of Insurance that apply.

IV. ADDITIONAL CONDITIONS

A. Loss Determination

We will determine payment under this Endorsement based on the following:

1. Your net income or loss from your "business operations" before income taxes prior to the date of the direct physical loss or damage to Covered Property;
2. The projected net income or loss from your "business operations" before income taxes that you would have realized but for the direct physical loss or damage to Covered Property, without consideration of the favorable business conditions created by the cause of loss, and only to the extent the projected net income or loss can be determined with a reasonable degree of certainty; and
3. Operating expenses necessary to resume "business operations" at the same level of quality that existed immediately prior to the direct physical loss or damage to Covered Property.

B. Resumption of "Business Operations"

You must resume "business operations" with reasonable speed to minimize the "suspension" of "business operations" and reduce the amount of your loss. To do so, you must use every available means, including but not limited to:

1. Working extra time or overtime;

2. Utilizing the property or services of others;
3. Using alternate or temporary locations; and
4. Using property you own, control or can obtain, including but not limited to, surplus, reserve or duplicate machinery, parts, equipment, supplies and stock.

C. Appraisal

For the purposes of this Endorsement, the **APPRAISAL** condition of the Comprehensive Property Damage Policy applies, except that in appraising the loss under "Business Income" and "Extra Expense" including "Rental Value" Coverage, the appraisers shall state separately the "actual net profit," "extra expense," "net profit" and "restoration period" used to calculate the loss.

V. **ADDITIONAL DEFINITIONS**

The following definitions are added:

- A. "Actual Net Profit" means the net income or loss before income taxes that you actually realize despite direct physical loss or damage to Covered Property, plus "extra expenses" to minimize the "suspension" of "business operations" and to continue "business operations" at the location described in the Declarations of the policy to which this Endorsement is attached or at a temporary or alternate location.
- B. "Business Income" means the actual loss of "net profit" you sustain during the "restoration period" at the location described in the Declarations of the policy to which this Endorsement is attached, less your "actual net profit" during the "restoration period."
- C. "Business Operations" means your commercial or industrial activities, or your operations as the owner of rental properties leased to others.
- D. "Extra Expense" means reasonable, necessary expenses you incur to minimize the "suspension" of "business operations" and to continue "business operations" at the location described in the Declarations of the policy to which this Endorsement is attached (or at the temporary or alternate location), that you would not have incurred but for the direct physical loss or damage to Covered Property. We will deduct the purchase price of any property bought for temporary use during the "restoration period" that you retain. In no event shall "extra expense" include the cost to repair or replace Covered Property or the cost to research, replace or restore lost information, except to the extent those costs reduce the amount otherwise payable under this Endorsement.
- E. "Net Profit" means the net income or loss before income taxes that you would have realized but for the direct physical loss or damage to Covered Property.
- F. "Rental Value" means "net profit" that would have been earned or incurred as rental income from tenant occupancy of the location described in the Declarations of the policy to which this Endorsement is attached as furnished and equipped by you, including fair rental value of any portion of the covered location which is occupied by you; and continuing normal operating expenses incurred in connection with that location, including payroll and the amount of charges which are the legal obligation of the tenant(s) but would otherwise be your obligations.

- G. "Restoration Period" means the period of time your "business operations" are necessarily suspended, not exceeding the period of time beginning with the date of the direct physical loss or damage to Covered Property and ending with the date the lost or damaged property should be repaired, rebuilt or replaced with reasonable speed and similar quality. This period of time shall not be affected by the expiration date of the policy. In no event shall this period of time exceed twelve (12) months.
- H. "Suspension" means the slowdown or cessation of your "business operations" or that a part or all of the covered location is rendered untenable, if "rental value" applies.

All other terms and Conditions of the policy to which this Endorsement is attached still apply.

Various provisions in this Endorsement restrict coverage. Read this Endorsement and the entire policy carefully to determine rights, duties and what is and is not covered.

VERLAN FIRE INSURANCE COMPANY
ELECTRONIC DATE RECOGNITION CLAUSE

This Endorsement modifies and is subject to the insurance provided under the following:

COMPREHENSIVE PROPERTY DAMAGE POLICY
and all endorsements attached thereto.

Unless specifically stated to the contrary, this policy, including all forms and endorsements attached thereto, does not insure any loss, damage, accident, cost, claim or expense, whether preventative (including temporary protection and preservation of property), remedial or otherwise, directly or indirectly, arising out of or relating to:

- A. The recognition, interpretation, calculation, comparison, differentiation, sequencing or processing of data involving one or more dates or times, including but not limited to the Year 2000, by any computer system, hardware, program or software, or any microchip, integrated circuit, or similar device in computer equipment or non-computer equipment, whether your property or not; or,
- B. Any change, alteration, correction or modification involving one or more dates or times, including but not limited to the Year 2000, to any such computer system, hardware, program or software, or any microchip, integrated circuit, or similar device in computer equipment or non-computer equipment, whether your property or not.

Except as provided below, this Electronic Date Recognition Clause shall apply regardless of any other cause or event contributing concurrently or in any other sequence to the loss, damage, accident, cost, claim or expense.

If direct physical loss or damage, or an accident not otherwise excluded under this policy results, then, subject to all its terms and Conditions, this policy shall cover only such resulting direct physical loss or damage or accident. Such covered resulting loss or damage shall not include any cost, claim or expense, whether preventative (including temporary protection and preservation of property), remedial or otherwise, arising out of or relating to any change, alteration, correction or modification relating to (1) data or (2) the ability of any computer system, hardware, program or software, or any microchip, integrated circuit, or similar device in computer equipment or non-computer equipment to recognize, interpret, calculate, compare, differentiate, sequence or process any data. Claims for resulting physical loss or damage or accident at multiple locations shall constitute a separate loss or accident.

All other terms and Conditions of the policy to which this Endorsement is attached still apply.

Various provisions in this Endorsement restrict coverage. Read this Endorsement and the entire policy carefully to determine rights, duties and what is and is not covered.

VERLAN FIRE INSURANCE COMPANY
“EQUIPMENT BREAKDOWN” COVERAGE

This Endorsement modifies and is subject to the insurance provided under the following:

COMPREHENSIVE PROPERTY DAMAGE POLICY
and the endorsements attached thereto:

**“Business Income” and “Extra Expense” Coverage including “Rental Value”
“Extra Expense” Coverage**

All of the following apply:

A. The following Exclusions are deleted from the Comprehensive Property Damage Policy.

1. Section IV., A. 5.;
2. Section IV., A. 6.;
3. Section IV., A. 7.

By deleting these Exclusions, “Equipment Breakdown” coverage is afforded.

B. The following are added to Section V., **EXTENSIONS OF COVERAGE**:

EXPEDITING EXPENSES

We will pay for the expediting expense loss resulting from an “Equipment Breakdown” with respect to your damaged Covered Property. We will pay the reasonable cost to:

1. Make temporary repairs;
2. Expedite permanent repairs; and
3. Expedite permanent replacement.

Reasonable cost shall mean the extra cost of temporary repairs and the additional costs associated with making immediate repairs to the insured’s damaged property, including the cost of overtime pay and the extra costs of express transportation or other rapid means of transporting necessary equipment or parts.

The most we will pay for loss or damage under this coverage is \$25,000 unless a higher limit appears on the “Equipment Breakdown” Deductible and Limits Exceptions Schedule. In that case, whichever limit is greater will apply.

REFRIGERANT CONTAMINATION

We will pay for contamination by a refrigerant resulting from "Equipment Breakdown" with respect to your damaged Covered Property to refrigerating, cooling or humidity control equipment at the described premises. This may be adjusted for salvage expenses or recoveries.

The most we will pay for loss or damage under this coverage is \$25,000 unless a higher limit appears on the "Equipment Breakdown" Deductible and Limits Exceptions Schedule. In that case, whichever limit is greater will apply.

SPOILAGE

We will pay for loss of perishable goods due to spoilage resulting from lack of power, light, heat, steam or refrigeration caused by "Equipment Breakdown" to types of property covered by this policy that are:

1. Located on or within 1,000 feet of your described premises,
2. Owned by the building owner at your described premises, or owned by a public utility; and
3. Used to supply telephone, electricity, air conditioning, heating, gas, water or steam to your described premises.

However, as respects "Equipment Breakdown" coverage, we will not pay for any loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of coverage provided by the Comprehensive Property Damage Policy and endorsements thereto, including but not limited to the following:

Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water damage, earth movement or flood.

The most we will pay for loss or damage under this coverage is \$25,000 unless a higher limit appears on the "Equipment Breakdown" Deductible and Limits Exceptions Schedule. In that case, whichever limit is greater will apply. This payment may be adjusted for salvage expenses and recoveries.

UTILITY INTERRUPTION

We will pay for loss of "Business Income" and "Extra Expense," including "Rental Income," from a total or partial interruption of business to operate your business during the interruption resulting from an "Equipment Breakdown" to power or other utility service supplied to the described premises as follows:

1. Located on or within 1,000 feet of your described premises;
2. Owned by the building owner at your described premises, or owned by a public utility; and
3. Used to supply telephone, electricity, air conditioning, heating, gas, water or steam to your described premises.

But if failure of power or other utility service results in an "Equipment Breakdown" to Covered Property, we will pay for the loss or damage caused by the "Equipment Breakdown."

However, as respects "Equipment Breakdown" coverage, we will not pay for any loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of coverage provided by the Comprehensive Property Damage Policy and endorsements thereto, including but not limited to the following:

Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water damage, earth movement or flood.

The most we will pay for loss or damage under this coverage is \$25,000 unless a higher limit appears on the "Equipment Breakdown" Deductible and Limits Exceptions Schedule. In that case, whichever limit is greater will apply.

C. The following is added to Section VI., **ADDITIONAL COVERAGES**:

We will pay for the "pollutant" cleanup and removal for loss resulting from "Equipment Breakdown." The most we will pay for the "pollutant" cleanup and removal is \$25,000 unless a higher limit is provided by an endorsement to the Comprehensive Property Damage Policy to which this Endorsement is attached. In that case, whichever limit is greater will apply.

D. Exclusions:

With respect to coverage provided under this endorsement only, we will not pay for loss or expense caused by or resulting from a hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel, or an electrical insulation breakdown test of any type of electrical equipment. However if "accident" results, we will pay for the resulting loss, damage or expense caused by that "accident".

E. The following replaces Section IX., B., **DEDUCTIBLE**:

1. Application of Deductibles

We will not pay for loss or damage resulting from any "One Breakdown" until the amount of covered loss or damage exceeds the deductible shown in the "Equipment Breakdown" Deductible and Limits Exceptions Schedule for each applicable coverage. We will then pay the amount of covered loss or damage in excess of the deductible, up to the applicable Limit of Insurance.

2. Determination of Deductibles

a. Dollar Deductible

If a dollar deductible is shown in the "Equipment Breakdown" Deductible and Limits Exceptions Schedule, we will first subtract the deductible amount from any loss we would otherwise pay.

b. Time Deductible

If a time deductible is shown in the "Equipment Breakdown" Deductible and Limits Exceptions Schedule, we will not be liable for any loss under that coverage that occurs during that specified time period immediately following an "Equipment Breakdown." If a time deductible is shown in days, each day shall mean twenty-four (24) consecutive hours.

c. Multiple of Daily Value Deductible

If a multiple of daily value is shown in the "Equipment Breakdown" Deductible and Limits Exceptions Schedule, this deductible will be calculated as follows:

- (1) For the entire premises where the loss occurred, determine the total amount of "Business Income" that would have been earned during the "Restoration Period" had no "Equipment Breakdown" taken place.
- (2) Divide the result in Paragraph (1) above by the number of days the business would have been open during the "Restoration Period." The result is the daily value.

- (3) Multiply the daily value in Paragraph (2) above by the number of days shown in the "Equipment Breakdown" Deductible and Limits Exceptions Schedule. We will first subtract this deductible amount from any loss we would otherwise pay. We will then pay the amount of loss or damage in excess of the deductible, up to the applicable Limit of Insurance.

d. Percentage of Loss Deductible

If a deductible is expressed as a percentage of loss in the "Equipment Breakdown" Deductible and Limits Exceptions Schedule, we will not be liable for the indicated percentage of gross amount of loss or damage (prior to the applicable deductible) insured under the applicable coverage.

Deductibles applicable to "Equipment Breakdown" coverage are separate from deductibles applicable to all other Causes of Loss covered by the Comprehensive Property Damage Policy and shall be designated on the "Equipment Breakdown" Deductible and Limits Exceptions Schedule applicable to this Endorsement.

F. The following Additional Condition is added to Section X., **CONDITIONS SUSPENDING OR RESTRICTING INSURANCE:**

SUSPENSION

Whenever property subject to "Equipment Breakdown" is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss to that Covered Property for the causes of loss covered by this Endorsement. Coverage can be suspended and possibly reinstated by delivering or mailing a written notice of suspension or coverage reinstatement to:

1. Your last know address; or
2. The address where the property is located.

If we suspend your insurance, you will receive a pro rata refund of premium. But the suspension will be effective even if we have not yet made or offered a refund.

G. The following Definitions are added to Section XIX. as respects "Equipment Breakdown" coverage:

1. "Covered Equipment" as used herein, unless otherwise specified and mutually agreed upon, means Covered Property, as defined in Verlan Fire Insurance Company's Policies:
 - (1) That generates, transmits or utilizes energy, including electronic communications and data processing equipment; or
 - (2) Which during normal usage, operates under vacuum or pressure, other than the weight of its own contents.

However "Covered Equipment" does not mean:

- (1) Structure, foundation, cabinet, compartment or air supported structure or building; or
- (2) Insulating or refractory material; or
- (3) Sewer piping, buried vessels or piping, or piping forming a part of a sprinkler or fire suppression system; or
- (4) Water piping other than boiler feed water piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system; or
- (5) Vehicle, or any equipment mounted on a vehicle; or

- (6) Dragline, excavation or construction equipment; or
 - (7) Satellite, spacecraft or any equipment mounted on a satellite or spacecraft; or
 - (8) Equipment manufactured by the insured for sale.
2. "Equipment Breakdown" as used herein means physical loss or damage, both originating within:
- a. Boilers, fired or unfired pressure vessels, vacuum vessels, and pressure piping, all normally subject to vacuum or internal pressure other than static pressure of contents, excluding:
 - (1) Waste disposal piping;
 - (2) Any piping forming part of a fire protective system;
 - (3) Furnaces; and
 - (4) Any water piping other than:
 - (a) Boiler feed water piping between the feed pump and the boiler;
 - (b) Boiler condensate return piping; or
 - (c) Water piping forming part of a refrigerating or air conditioning system used for cooling, humidifying or space heating purposes.
 - b. All mechanical, electrical, electronic or fiber optic equipment; and caused by, resulting from or consisting of:
 - (1) Mechanical breakdown;
 - (2) Electrical or electronic breakdown; or
 - (3) Rupture, bursting, bulging, implosion, or steam explosion.

However "Equipment Breakdown" does not mean physical loss or damage caused by or resulting from any of the following:

- a. Wear and tear;
- b. Rust or other corrosion, decay, deterioration, hidden or latent defect, mold or any other quality in property that causes it to damage or destroy itself;
- c. Smog;
- d. Settling, cracking, shrinking or expansion;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by birds, rodents or other animals;
- f. Any accident, loss, damage, cost, claim, or expense, whether preventative, remedial, or otherwise, directly or indirectly arising out of or relating to the recognition, interpretation, calculation, comparison, differentiation, sequencing, or processing of data by any computer system including any hardware, programs or software;

- g. The following causes of loss to personal property:
 - (1) Dampness or dryness of atmosphere;
 - (2) Marring or scratching.
- h. Loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:

Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water damage, earth movement or flood.

However, if loss or damage not otherwise excluded results, then we will pay for such resulting damage.

- 2. "One Breakdown" means if an initial "Equipment Breakdown" causes other "Equipment Breakdowns," all will be considered "One Breakdown." All "Equipment Breakdowns" at any one premises that manifest themselves at the same time and are the direct result of the same cause will be considered "One Breakdown."
- H. The following is added to Section I.B.6. in the "Business Income" and "Extra Expense" including "Rental Value" Coverage form (VFIC-02):

However, as respects "Equipment Breakdown" coverage, we will not pay for any loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of coverage provided by the Comprehensive Property Damage Policy and endorsements thereto, including but not limited to the following:

Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water damage, earth movement or flood.

All other terms and Conditions of the policy to which this Endorsement is attached still apply.

Various provisions in this Endorsement restrict coverage. Read this Endorsement and the entire policy carefully to determine rights, duties and what is and is not covered.

VERLAN FIRE INSURANCE COMPANY
PRODUCTION MACHINERY EXCLUSION

This Endorsement modifies and is subject to the insurance provided under the following:

“Equipment Breakdown” Coverage

The following are not covered under the “Equipment Breakdown” Coverage:

Production or process machine(s) or apparatus that processes, forms, cuts, shapes, grinds, or conveys raw materials, materials in process or finished products including any covered equipment as referenced in the “Equipment Breakdown” Coverage that is mounted upon or used solely with any one or more production or process machine(s) or apparatus.

All other terms and Conditions of the policy to which this Endorsement is attached still apply.

Various provisions in this Endorsement restrict coverage. Read this Endorsement and the entire policy carefully to determine rights, duties and what is and is not covered.

VERLAN FIRE INSURANCE COMPANY

“CERTIFIED ACT OF TERRORISM” EXCLUSION

This Endorsement modifies and is subject to the insurance provided under the following:

COMPREHENSIVE PROPERTY DAMAGE POLICY and all endorsements attached thereto.

On Form VFIC-01 (06/04), Article **IV. EXCLUSIONS**, Section B., Item 13. below is added:

13. A “certified act of terrorism.” If, however a “certified act of terrorism” results in a fire to covered property situated in Arizona, California, Connecticut, Georgia, Hawaii, Idaho, Illinois, Iowa, Louisiana, Maine, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Hampshire, New Jersey, New York, North Carolina, North Dakota, Oklahoma, Oregon, Pennsylvania, Rhode Island, Texas, Virginia, Washington, West Virginia or Wisconsin, we will only pay for the direct fire damage but not for any consequential loss including but not limited to business income and extra expense resulting from the fire.

A “certified act of terrorism” means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a “certified act of terrorism” include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

All other terms and Conditions of the policy to which this Endorsement is attached still apply.

Customer Notice of Privacy Policy and Producer Compensation Practices Disclosures

Privacy Policy Disclosure

Collection of Information

We collect personal information so that we may offer quality products and services. This information may include, but is not limited to, name, address, Social Security number, and consumer reports from consumer reporting agencies in connection with your application for insurance or any renewal of insurance. For example, we may access driving records, insurance scores or health information. Our information sources will differ depending on your state and/or the product or service we are providing to you. This information may be collected directly from you and/or from affiliated companies, non-affiliated third parties, consumer reporting agencies, medical providers and third parties such as the Medical Information Bureau.

We, and the third parties we partner with, may track some of the web pages you visit through cookies, pixel tagging or other technologies. We currently do not process or comply with any web browser's "do not track" signals or similar mechanisms that request us to take steps to disable online tracking. For additional information regarding online privacy, please see our online privacy statement, located at www.hanover.com.

Disclosure of Information

We may disclose non-public, personal information you provide, as required to conduct our business and as permitted or required by law. We may share information with our insurance company affiliates or with third parties that assist us in processing and servicing your account. We also may share your information with regulatory or law enforcement agencies, reinsurers and others, as permitted or required by law.

Our insurance companies may share information with their affiliates, but will not share information with non-affiliated third parties who would use the information to market products or services to you.

Our standards for disclosure apply to all of our current and former customers.

Safeguards to Protect Your Personal Information

We recognize the need to prevent unauthorized access to the information we collect, including information held in an electronic format on our computer systems. We maintain physical, electronic and procedural safeguards intended to protect the confidentiality and integrity of all non-public, personal information, including but not limited to social security numbers, driver's license numbers and other personally identifiable information.

Internal Access to Information

Access to personal, non-public information is limited to those people who need the information to provide our customers with products or services. These people are expected to protect this information from inappropriate access, disclosure and modification.

Consumer Reports

In some cases, we may obtain a consumer report in connection with an application for insurance. Depending on the type of policy, a consumer report may include information about you or your business, such as:

- character, general reputation, personal characteristics, mode of living;
- credit history, driving record (including records of any operators who will be insured under the policy); and/or
- an appraisal of your dwelling or place of business that may include photos and comments on its general condition.

Access to Information

Upon written request, we will inform you if we have ordered an investigative consumer report. You have the right to make a written request within a reasonable period for information concerning the nature and scope of the report and to be interviewed as part of its preparation. You may obtain a copy of the report from the reporting agency and, under certain circumstances, you may be entitled to a copy at no cost.

You also may review certain information we have about you or your business in our files. To review information we maintain in our files about you or your business, please write to us, providing your complete name, address and policy number(s), and indicating specifically what you would like to see. If you request actual copies of your file, there may be a nominal charge.

We will tell you to whom we have disclosed the information within the two years prior to your request. If there is not a record indicating that the information was provided to another party, we will tell you to whom such information is normally disclosed.

There is information that we cannot share with you. This may include information collected in order to evaluate a claim under an insurance policy, when the possibility of a lawsuit exists. It may also include medical information that we would have to forward to a licensed medical doctor of your choosing so that it may be properly explained.

Correction of Information

If after reviewing your file you believe information is incorrect, please write to the consumer reporting agency or to us, whichever is applicable, explaining your position. The information in question will be investigated. If appropriate, corrections will be made to your file and the parties to whom the incorrect information was disclosed, if any, will be notified. However, if the investigation substantiates the information in the file, you will be notified of the reasons why the file will not be changed. If you are not satisfied with the evaluation, you have the right to place a statement in the file explaining why you believe the information is incorrect. We also will send a copy of your statement to the parties, if any, to whom we previously disclosed the information and include it in any future disclosures.

Our Commitment to Privacy

In the insurance and financial services business, lasting relationships are built upon mutual respect and trust. With that in mind, we will periodically review and revise our privacy policy and procedures to ensure that we remain compliant with all state and federal requirements. If any provision of our privacy policy is found to be non-compliant, then that provision will be modified to reflect the appropriate state or federal requirement. If any modifications are made, all remaining provisions of this privacy policy will remain in effect. For more detailed information about our customer privacy policy (including any applicable state-specific policies) and our online privacy statement, visit our Web site, located at www.hanover.com.

Further Information

If you have questions about our customer privacy policy (including any applicable state-specific policies) or our online privacy statement, or if you would like to request information we have on file, please write to us at our Privacy Office, N435, The Hanover Insurance Group, Inc., 440 Lincoln Street, Worcester, MA 01653. Please provide your complete name, address and policy number(s). A copy of our Producer Compensation Disclosure is also available upon written request addressed to the attention of the Corporate Secretary, N435, The Hanover Insurance Group, 440 Lincoln Street, Worcester, MA 01653.

Producer Compensation Disclosure

Our products are sold through independent agents and brokers, often referred to as "Producers." We may pay Producers a fixed commission for placing and renewing business with our company. We may also pay additional commission and other forms of compensation and incentives to Producers who place and maintain their business with us. Details of our Producer compensation practices may be found at www.hanover.com.

This notice is being provided on behalf of the following Hanover Companies: The Hanover Insurance Group, Inc. - Allmerica Financial Alliance Insurance Company - Allmerica Financial Benefit Insurance Company - Allmerica Plus Insurance Agency, Inc. - Citizens Insurance Company of America - Citizens Insurance Company of Illinois - Citizens Insurance Company of the Midwest - Citizens Insurance Company of Ohio - Citizens Management, Inc. - AIX Ins. Services of California, Inc.- Campania Insurance Agency Co. Inc.- Campmed Casualty & Indemnity Co. Inc. - Chaucer Syndicates Limited- Educators Insurance Agency, Inc.- Hanover Specialty Insurance Brokers, Inc. - The Hanover American Insurance Company - The Hanover Insurance Company - The Hanover New Jersey Insurance Company - The Hanover National Insurance Company - Hanover Lloyd's Insurance Company - Massachusetts Bay Insurance Company - Opus Investment Management, Inc. - Professionals Direct Insurance Services, Inc. -Professional Underwriters Agency, Inc.- Verlan Fire Insurance Company - Nova Casualty Company - AIX Specialty Insurance Company.

EXHIBIT 3

Norman Abood

From: Tony Marks <tmarks@globalonedistribution.com>
Sent: Friday, October 12, 2018 1:42 PM
To: Norman Abood
Subject: Insurance Rebuttal
Attachments: Insurance Claim 10.12.18.zip

Norman,

After reviewing the documentation provided by Envista, it is clear that there are numerous errors, unaccounted for details, inconsistency, and a lack of support for their conclusions.

It should be pointed out that Laibe Electric spent two months and over 365 billable hours onsite completing and documenting a comprehensive report of the damage from the lightning strike. They brought in equipment, tools, and various other assets and specialists to determine the condition of the property. Jim Deaton, the CEO of Laibe Electric personally stated that they had inspected the facility to the best of their ability. Further, Laibe states "**The 10 MW Substation took a direct lightning hit and is obviously damaged**". Perrysburg Township police report (attached) details "Catastrophic Transformer Incident", "Lines on Fire", etc.

Meanwhile, Envista only visually inspected the property over the course of four to eight hours and made no effort to actually test any of the property's assets. As a result, many of their conclusions are unsupported, or just plain wrong, not to mention many important details completely omitted. Laibe provided detailed testing, reports and results; Envista provided none. We find their report incomplete, unsubstantiated, and void of any substance or facts. If there are indeed any actual forensic or engineering reports or test results produced by Envista to support any of their conclusions, please make these available. It should also be noted that in the Nederveld Forensic Report, they concluded that a direct lightening strike occurred, leading to damage of the property.

Futher, Envista is completely missing discussion of many important items that are completely covered in the Laibe Electric "Lighting Damage Assessment Phase Two" report, such as:

- Cables
- Capacitors
- Conductors
- Exterior Lighting
- Compressors, pumps, and exhaust fans
- Rooftop Equipment
- Surge Protectors
- Etc

Please see the attached documents that highlight the issues we take with the documentation that has been provided as well as more supporting documents.

Tony Marks

Global Distribution Center, llc
29180 Glenwood
Perrysburg, Ohio 43551

Office (419) 666-1132
Cell (419) 764-8588

The Hartford Steam Boiler Inspection and Insurance Company



Norman Abood
101 Broadcast Building
136 N. Huron Street
Toledo, OH 43604-1139

Copy
Tamara Weber
The Hanover Insurance
Group, Inc.
P.O. Box 667
Keego Harbor, MI 48320

September 17, 2018

David Ashley
General Adjuster
HSB/Claims
Tel.: 888-472-5677 x22224
Email:
David_Ashley@HSB.com

RE:

Insured: Global Distribution Center LLC
HSB Claim #: 000493226 Your Claim #: 19-00008557
HSB Policy #: 1000785 Your Policy #: Z7W-D003305
Date of Loss: June 30, 2017

Risk Solutions

Remit all correspondence to:
Email:
Claims_Documentation@hsb.com
Fax: (877) 472-4329

Locations:

29180 Glenwood Road
Perrysburg, OH 43551
United States of America

Main Address:
P.O. Box 61510
King of Prussia, PA 19406
Overnight mail:
595 E Swedesford Rd Ste 100
Wayne, PA 19087
www.hsb.com

Dear Mr. Abood:

We have now received the follow up report from Envista Forensics. This details the additional damage found during the inspection on June 28, 2018 along with Laibe Electric. A copy is attached. This report is dated August 3, 2018. However, we did not receive this until September 4, 2018.

- The overhead distribution wiring was further examined using a lift or bucket truck. There was some additional damage found that was believed to have occurred as part of the electrical event of June 30, 2017.
- The transformers were further examined. The report outlines that any issues with the transformers was not related the electrical event.
- The issue reported with lights in building 48 was not related to the electrical event.
- The Building identified as number 5 was inspected. It was noted that building numbers referenced were not the same number as indicated on the policy. This was determined to be the same as Building 2 on the policy. It was found that a portion of the lights in this building did sustain some electrical damage from the event.

Comment [Office1]: How was this determined? It was determined that in other buildings it was a result of the electrical event. Envista did not test any fixtures in Building 48.



Hartford Steam Boiler

- Building 6 was inspected. The policy with Hanover Insurance includes coverage for Buildings 1, 2, 3 and 4. We were unable to match this building with a building listed on the policy. The findings for this building were reported to be similar as Building 5. Please advise if there is any information that would show if Building 6 is the same any of the buildings listed on the policy.
- The Dock doors were examined. It was found that the issue with these was not related to the electrical event.
- The electrical panels were inspected. It was found that these had not sustained damage as a result of the electrical event.
- The fire alarm system was further inspected. It was confirmed that the only issue was the command module that had been identified previously.

Laibe Electric is to provide a written cost estimate for the remaining items that were found to have sustained electrical damage. Envista Forensics advises that they have not yet received the cost estimate for these remaining items. We will share this with you once it becomes available.

Please feel free to contact me if there questions in the meantime.

Sincerely,

David Ashley, AIC
General Adjuster

Laibe

ELECTRIC / TECHNOLOGY

ELECTRICAL CONTRACTOR
24 / 7 / 365 SERVICE
COMMERCIAL / INDUSTRIAL / HEALTH CARE
TELEDATA CABLING SYSTEMS / BICSI CERTIFIED
FIBER OPTIC CABLE NETWORK INSTALLATIONS
TEMPERATURE AND PROCESS CONTROL
FIRE ALARM, SECURITY & SOUND SYSTEMS
GENERATOR RENTAL / INSTALLATION
DESIGN / BUILD

November 6, 2017

**Global One Distribution, LLC
29180 Glenwood Road
Perrysburg, OH 43551
ATTN: Mr. Tony Marks**

**RE: Lighting Damage Assessment
Phase Two**

Dear Mr. Marks,

Please find attached our assessment of damage that occurred during the storm on July 1st, 2017. The following electrical systems and components were inspected:

Medium Voltage

- Transformers
- 15KV cables and terminations
- Lightning arrestors
- Capacitors
- Cut-outs
- Switches
- Conductors
- Poles, crossarms

Where is Envista's forensic reports and test results concerning these items?
--

Low Voltage

- Switchgear
- Secondary conductors
- Panelboards
- Panelboard feeders
- Busduct and switches
- Surge protectors
- Contactors
- Starters
- Air handlers
- Compressors
- Pumps
- Exhaust fans
- Rooftop equipment
- Chillers
- Door openers
- Light fixtures
- Devices
- Branch wiring
- Other miscellaneous equipment

404 NORTH BYRNE ROAD • TOLEDO, OHIO 43607-2609

PHONE 419.724.8200 • FAX 419.531.5809 • laibe.com

Laibe Electric is an Equal Opportunity Employer

Systems

- Sprinkler riser reporting devices
- Fire alarm panel
- CCTV cameras and cable
- Telephone system

Any equipment with open disconnect switches was assumed not affected.

Any lighting fixtures and other equipment not functioning properly are assumed damaged by the storm, as owner reports that most were operating correctly before the storm occurred.

We have inspected the entire facility to the best of our ability. We ask that the owner review the attached report and advise if they suspect any other damage, so that we may inspect and add it to this report if necessary.

Thank you for allowing us to provide our services. If there are any questions, please contact me at any time.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Deaton", with a large circular flourish underneath.

Jim Deaton
CEO

JD/mh

Laibe

ELECTRIC / TECHNOLOGY

ELECTRICAL CONTRACTOR
24 / 7 / 365 SERVICE
COMMERCIAL / INDUSTRIAL / HEALTH CARE
TELEDATA CABLING SYSTEMS / BICSI CERTIFIED
FIBER OPTIC CABLE NETWORK INSTALLATIONS
TEMPERATURE AND PROCESS CONTROL
FIRE ALARM, SECURITY & SOUND SYSTEMS
GENERATOR RENTAL / INSTALLATION
DESIGN / BUILD

November 14, 2017

**Global One Distribution, LLC
29180 Glenwood Road
Perrysburg, OH 43551
ATTN: Mr. Tony Marks**

RE: Lightning Damage Event Survey

Dear Mr. Marks,

The following explains the extent and methods of our survey of the lightning damage at your facility.

Lighting Fixtures

1. Lighting fixtures were visually inspected and determined inoperable. The majority of these fixtures were reported by Global One to be in working condition before the event. In conversations with tenants, they confirmed this.

Equipment

1. Equipment that had closed main disconnect switches was inspected, any existing equipment with open switches was not inspected, as lightning could not have damaged it.
2. Two power dock locks and overhead door operators were found inoperable. The owner states they were in working condition before the event.

Power Distribution and Branch Wiring

1. Two pad transformers, 750 KVA and 150 KVA were tested and reports (attached) show nonacceptable results.
2. Various power conductors were visually inspected and found brittle and cracked, consistent with overheating. This damage is assumed a result of the event.
3. One dry-type transformer meggar tested faulty with a lost phase. This transformer also had cracked and brittle conductors connected to it, consistent with overheating.
4. A large number of the branch circuit wiring was inspected visually and found cracked and brittle. From this inspection we estimate that up to 20 percent may be damaged.

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PHONE 419.724.8200 • FAX 419.531.5809 • laibe.com

Laibe Electric is an Equal Opportunity Employer

Medium Voltage Repairs

1. Visual inspection was done on all overhead primary distribution lines. Repairs required are included in damage report.

Fire Alarm System

1. The entire system was tested zone by zone. All system components were tested. Many found inoperative. Repairs are included in the estimate.

Substation

1. The 10 MW substation took a direct lightning hit and is obviously damaged.
 - The pressure gauge on the 10 MW transformer is pegged.
 - Overhead feeders leaving the substation melted off the crossarms.
 - Ground wires were melted.

Laibe Electric is a State of Ohio licensed electrical contractor. The journeymen electrician in charge of the survey completed a five-year apprenticeship program and has extensive field experience.

If you have any questions, please contact me at any time.

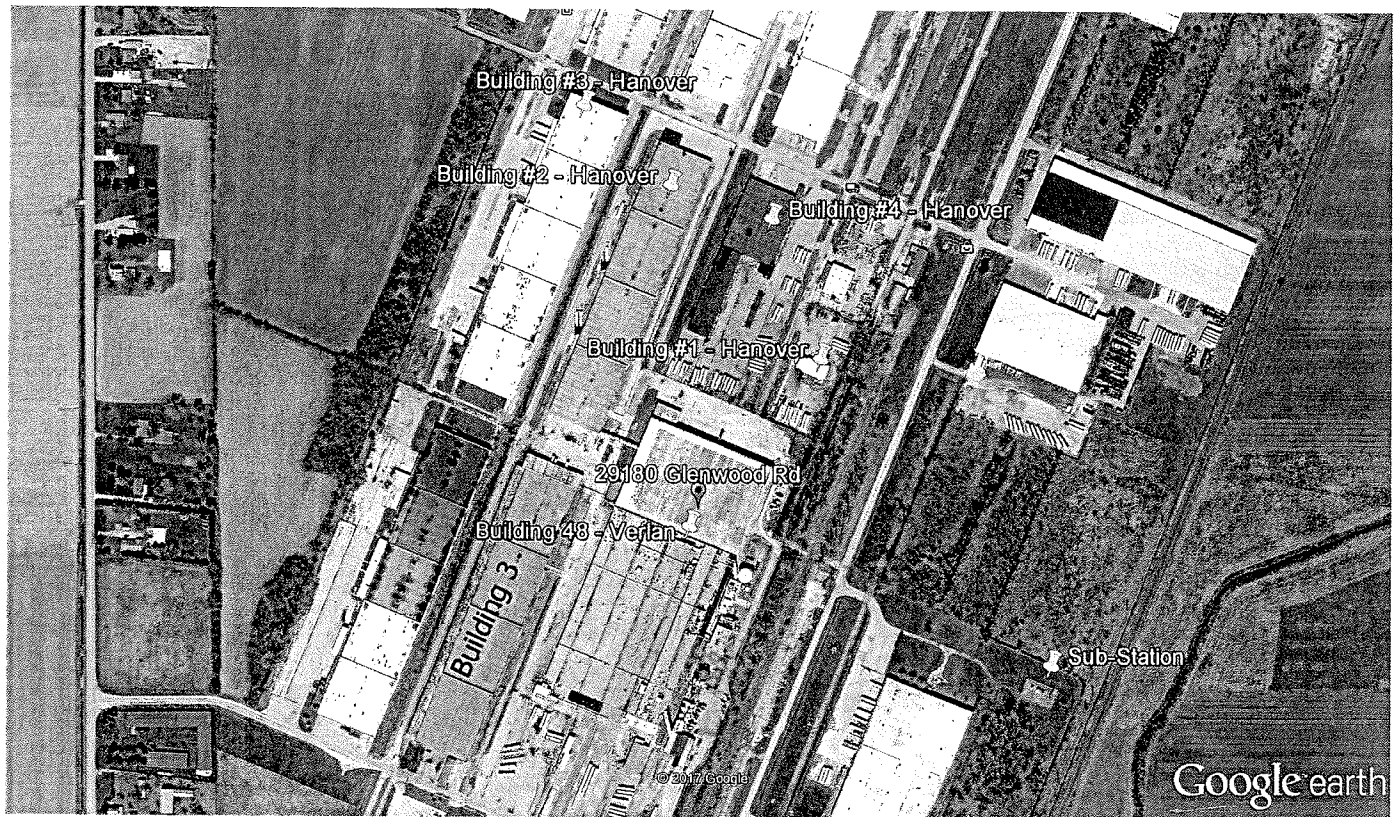
Sincerely,



Jim Deaton
CEO

JD/mh

Attachment: Transformer Oil Test



Google Earth Pro



Map is not correct:
Building 1 is not a GDC Building
Building #3 as marked is not a GDC Building
Building 4 is not a GDC Building
Location 3 "Building 6" is missing - highlighted above

PERRYSBURG TOWNSHIP POLICE**Incident Run Sheet**

1-17-006042

Printed On: 06/07/2018 3:55 PM

**Incident Information**

Bus./Common:		Date: 07/01/2017
Address: D ST		Time: 00:42:50
Suite:		How Received: Phone
City/State/Zip: PERRYSBURG TWP, OH 43551		Call Taker: D1
Cross Streets:		Subdivision: AMPOINT INDUSTRIAL COMPLEX
Nature: Incident	Nature Code: 32.007	Priority: 3

Comments

Responder	Date	Time	Comment
D1	07/01/2017	00:43:20	CHECKING THE BELMONT AREA, BELIEVE THERE'S A TRANSFORMER THAT BLEW
D1	07/01/2017	00:43:34	114 BELIEVES HE SAW IT COMING FROM THE EAST
D1	07/01/2017	00:45:03	TO 102, OWEN'S JUST CALLED, SAID SOMETHING JUST BLEW SOUTH OF THE CAMPUS, THEY HAVE AN OFFICER ENRT TO CHECK IT OUT ALSO
D1	07/01/2017	00:45:40	102'S GOING TO CHECK THE SUB STATION ACROSS FROM RYDER TRUCK
D1	07/01/2017	00:46:37	RESIDENT FROM TRACY CREEK APTS IS ADVISING TRANSFORMER BLEW NORTH OF 795 OFF OF OREGON
D1	07/01/2017	00:48:16	ANOTHER RESIDENT LIVES AT 29845 OREGON CALLED TO ADVISE SIMILAR INFO, TRANSFORMER BLEW OFF OF OREGON RD
D1	07/01/2017	00:48:41	ANOTHER CALLER WHO LIVES AT 28863 OREGON RD, SAID TRANSFORMER BLEW
D1	07/01/2017	00:48:53	102'S IN THE AREA
D1	07/01/2017	00:49:12	PER 102, IT IS THE SUB STATION OR SOME LINES DOWN BEHIND THE OLD WAREHOUSE, TMT TRUCKING // PER 114, DO YOU HAVE AN ACTUAL FIRE OR JUST ARCING ?? // HAVE SOME LIVE WIRES DOWN
D1	07/01/2017	00:50:41	PER 102, NEED EDISON IF YOU HAVEN'T ALREADY DONE SO... LINES ON FIRE // CLEAR ON THAT AND CAN YOU GIVE ME AN EXACT LOCATION // IT IS THE OLD HUNT WESSON OFFICE/TMT TRUCKING, RIGHT OFF AT THE END OF D ST, JUST PASSED THE FENCE OFF OF D ST, TOWARDS THE BACK THERE...
D1	07/01/2017	00:51:09	PER 102, WILL BE SITTING WITH MY LIGHTS ON ON D ST
D1	07/01/2017	00:51:53	NEED FIRE DEPT ? // AFFIRMATIVE, WON'T BE ABLE TO GET CLOSE UNTIL POWER IS OFF
D1	07/01/2017	00:57:12	NOTHING ON FIRE NOW, AS OF THIS MOMENT, NOTHING ARCING STILL, DON'T KNOW IF THEY WANT TO CONTINUE OR NOT
D1	07/01/2017	01:03:02	TO 102, ARE THE WIRES DOWN AND IF SO, ARE THEY BLOCKING THE ROAD ? // NEGATIVE, IT'S OFF THE ROAD, OFF TO THE NE OF THE WAREHOUSE BUILDING, IT'S ON PRIVATE PROPERTY
D1	07/01/2017	01:03:22	PER EDISON, ETA WILL BE TWO HOURS, TICKET # 2712613
D1	07/01/2017	01:03:45	102 ADVISED
D1	07/01/2017	01:26:24	PER 114, EDISON'S ON SCENE
D1	07/01/2017	02:03:17	102 - To Location-ENRT GLOBAL ONE
D1	07/01/2017	02:07:57	PER 102, WE'RE BACK IN GLOBAL ONE'S COMPLEX, TRYING TO FIND A WIRE THAT'S ON FIRE
D1	07/01/2017	02:38:49	665 D ST INTO AUDITOR'S WEBSITE, SEE WHO OWNER IS
D1	07/01/2017	02:40:30	INFO FROM AUDITOR'S SITE GIVEN...
D1	07/01/2017	03:12:15	102'S OUT WITH THE PROPERTY OWNER
D1	07/01/2017	03:38:50	PER 114, JUST AN UPDATE.. WE JUST SPOKE WITH THE PROPERTY MANGER.. THEY'RE TRYING TO COORDINATE WITH THE MAIN POWER COMPANY TO SHUT THIS TRANSFORMER DOWN AT THE SUB STATION, WILL PROBABLY BE OUT HERE FOR A WHILE...
D1	07/01/2017	03:39:16	PER 114, JUST FYI, IN CASE YOU GET CALLS WHEN IT DOES HAPPEN, HE'S ADVISING IT DOES HAVE THE POTENTIAL TO CAUSE SOME POWER OUTAGES ALONG THE OREGON RD CORRIDOR..

PERRYSBURG TOWNSHIP POLICE**Incident Run Sheet**

1-17-006042

Printed On: 06/07/2018 3:55 PM



D1	07/01/2017	05:23:13	PER 102, CATASTROPHIC TRANSFORMER INCIDENT...
D1	07/01/2017	05:33:44	PER 114, CONTACT THE FD AND ADVISE THEM OF THE SITUATION, DON'T KNOW IF THEY WANT TO BE ON STAND BY OR IF THEY WANT TO RESPOND..
D1	07/01/2017	05:33:53	TO 102, THAT WILL BE THE FIRE DEPT FOR YOU..
D1	07/01/2017	05:50:21	PER 102, GOT THE POWER SHUT OFF....
D1	07/01/2017	06:01:50	TO 114, ARE YOU GOING TO NEED DAYS OUT THERE FOR RELIEF ? // NEGATIVE, WE ARE ALL SET NOW
D1	07/01/2017	06:17:15	PER 114, POWER'S BEEN SHUT OFF, EVERYTHING'S SAFE, UNITS ARE E

Disposition

1. Assistance Rendered	07/01/2017 0617	3.
2.		4.

Response

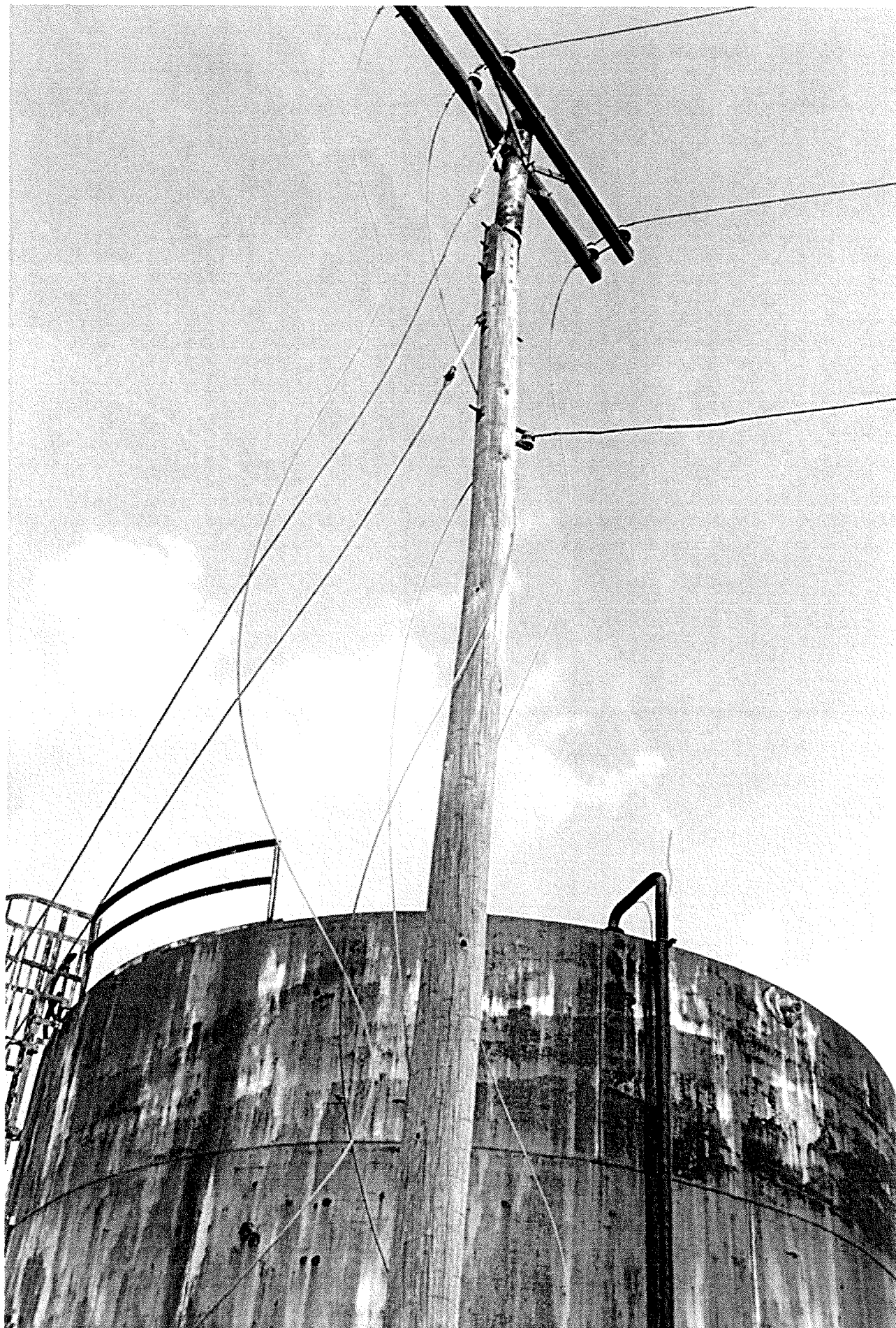
Law Grid:	Fire Grid:
EMS Grid	District:

Responders

Responder	Dispatched	Enroute	On Scene	To Hospital	At Hospital	Cleared	In Service	In Quarters
102		02:03:17	00:43:43			06:17:20		
114	00:45:14	00:45:14	00:56:24			06:17:21		
128	02:06:03	02:06:03	00:53:08			02:06:26		

Other Traffic

Responder	Time	Action	Comments
102	03:39:41	OK	D ST PERRYSBURG TWP
114	03:39:41	OK	D ST PERRYSBURG TWP
102	04:02:36	RL	PORTABLE
102	04:02:45	RL	LOUD AND CLEAR
102	05:47:11	OK	D ST PERRYSBURG TWP
114	05:47:11	OK	D ST PERRYSBURG TWP



COURT OF COMMON PLEAS, WOOD COUNTY OHIO
SUMMONS ON COMPLAINT

Rule 4 1970 Ohio Rules of Civil Procedure

Case Number: 2018CV0703

Judge Reeve Kelsey

Global Distribution Center LLC vs. Hanover Insurance Group Citizens Ins Co of America et al

Global Distribution Center LLC

29180 Glenwood Road

Perrysburg OH 43551

Plaintiff

vs.

Hanover Insurance Group Citizens Ins Co of America

c/o CT Corporation System

Suite 125

4400 Easton Commons Way

Columbus OH 43219

Defendant

To the above named defendant:

You are hereby summoned that a complaint (a copy of which is hereto attached and made a part hereof) has been filed against you in Wood County Court of Common Pleas, Wood County Courthouse, Bowling Green, OH 43402, by the Plaintiff(s) named herein.

You are required to serve upon the Plaintiff(s) attorney, or upon the Plaintiff if he/she has no attorney of record, a copy of your answer to the complaint within 28 days after service of this summons upon you, exclusive of the day of service. Said answer must be filed with this Court within three days after service on Plaintiff(s) attorney.

The name and address of the Plaintiff(s) Attorney is as follows:

NORMAN A ABOOD 29004

The Law Office of Norman A Abood

101 Broadcast Building

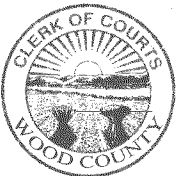
136 N Huron St

Toledo OH 43604

(419)-724-3700

If you fail to appear and defend within 28 days, judgment by default will be taken against you for the relief demanded in the complaint.

I, Cindy A. Hofner, Clerk of the Court of Common Pleas, hereby certify that the attached is a true copy of the original papers filed in the above-entitled case.



Cindy A. Hofner
Clerk of Courts

By: 
Deputy Clerk

COURT OF COMMON PLEAS, WOOD COUNTY OHIO
SUMMONS ON COMPLAINT

Rule 4 1970 Ohio Rules of Civil Procedure

Case Number: 2018CV0703

Judge Reeve Kelsey

Global Distribution Center LLC vs. Hanover Insurance Group Citizens Ins Co of America et al

Global Distribution Center LLC

29180 Glenwood Road

Perrysburg OH 43551

Plaintiff

vs.

Verlan Fire Insurance Company

c/o CT Corporation System

Suite 125

4400 Easton Commons Way

Columbus OH 43219

Defendant

To the above named defendant:

You are hereby summoned that a complaint (a copy of which is hereto attached and made a part hereof) has been filed against you in Wood County Court of Common Pleas, Wood County Courthouse, Bowling Green, OH 43402, by the Plaintiff(s) named herein.

You are required to serve upon the Plaintiff(s) attorney, or upon the Plaintiff if he/she has no attorney of record, a copy of your answer to the complaint within 28 days after service of this summons upon you, exclusive of the day of service. Said answer must be filed with this Court within three days after service on Plaintiff(s) attorney.

The name and address of the Plaintiff(s) Attorney is as follows:

NORMAN A ABOOD 29004

The Law Office of Norman A Abood

101 Broadcast Building

136 N Huron St

Toledo OH 43604

(419)-724-3700

If you fail to appear and defend within 28 days, judgment by default will be taken against you for the relief demanded in the complaint.

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Cindy A. Hofner
Clerk of Courts

By: 
Deputy Clerk

COURT OF COMMON PLEAS, WOOD COUNTY OHIO
SUMMONS ON COMPLAINT

Rule 4 1970 Ohio Rules of Civil Procedure

Case Number: 2018CV0703

Judge Reeve Kelsey

Global Distribution Center LLC vs. Hanover Insurance Group Citizens Ins Co of America et al

Global Distribution Center LLC

29180 Glenwood Road

Perrysburg OH 43551

Plaintiff

vs.

Hartford Steam Boiler Inspection and Insurance Co

c/o Kegler Brown Hill & Ritter

Attn: Robert G Schuler

65 E State St Suite 1800

Columbus OH 43215

Defendant

To the above named defendant:

You are hereby summoned that a complaint (a copy of which is hereto attached and made a part hereof) has been filed against you in Wood County Court of Common Pleas, Wood County Courthouse, Bowling Green, OH 43402, by the Plaintiff(s) named herein.

You are required to serve upon the Plaintiff(s) attorney, or upon the Plaintiff if he/she has no attorney of record, a copy of your answer to the complaint within 28 days after service of this summons upon you, exclusive of the day of service. Said answer must be filed with this Court within three days after service on Plaintiff(s) attorney.

The name and address of the Plaintiff(s) Attorney is as follows:

NORMAN A ABOOD 29004

The Law Office of Norman A Abood

101 Broadcast Building

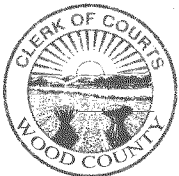
136 N Huron St

Toledo OH 43604

(419)-724-3700

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I, Cindy A. Hofner, Clerk of the Court of Common Pleas, hereby certify that the attached is a true copy of the original papers filed in the above-entitled case.



Cindy A. Hofner
Clerk of Courts

By: 
Deputy Clerk



UNITED STATES
POSTAL SERVICE

Date Produced: 01/07/2019

ConnectSuite Inc.:

The following is the delivery information for Certified Mail™/RRE item number 9214 8901 9403 8300 0076 8874 50. Our records indicate that this item was delivered on 01/04/2019 at 10:53 a.m. in COLUMBUS, OH 43219. The scanned image of the recipient information is provided below.

Signature of Recipient :

Signature of Recipient: [Handwritten signature: Dan Kelley]

Address of Recipient :

Address of Recipient: 4400 Easton Commons Ste 125

Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local post office or Postal Service representative.

Sincerely,
United States Postal Service

The customer reference number shown below is not validated or endorsed by the United States Postal Service. It is solely for customer use.

This USPS proof of delivery is linked to the customers mail piece information on file as shown below:

HANOVER INSURANCE GROUP CIT
C/O CT CORPORATION SYSTEM
4400 EASTON COMMONS WAY
COLUMBUS OH 43219
COLUMBUS
OH
43219

Customer Reference Number: C1148596.6603396

Return Reference Number: 2018CV0703 N 000 036 636



UNITED STATES
POSTAL SERVICE

Date Produced: 01/07/2019

ConnectSuite Inc.:

The following is the delivery information for Certified Mail™/RRE item number 9214 8901 9403 8300 0076 8874 67. Our records indicate that this item was delivered on 01/04/2019 at 10:53 a.m. in COLUMBUS, OH 43219. The scanned image of the recipient information is provided below.

Signature of Recipient :

Signature of Recipient: [Handwritten signature: Dan Kelley]

Address of Recipient :

Address of Recipient: 4400 Easton Commons Ste 125

Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local post office or Postal Service representative.

Sincerely,
United States Postal Service

The customer reference number shown below is not validated or endorsed by the United States Postal Service. It is solely for customer use.

This USPS proof of delivery is linked to the customers mail piece information on file as shown below:

VERLAN FIRE INSURANCE COMPA
C/O CT CORPORATION SYSTEM
4400 EASTON COMMONS WAY
COLUMBUS OH 43219
COLUMBUS
OH
43219

Customer Reference Number: C1148596.6603397

Return Reference Number: 2018CV0703 N 000 036 637



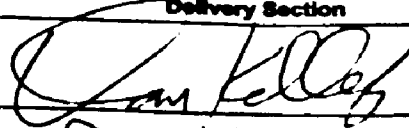
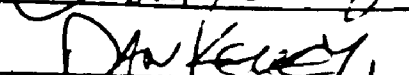
Date Produced: 01/14/2019

ConnectSuite Inc.:



The following is the delivery information for Certified Mail™/RRE item number 9214 8901 9403 8300 0076 8874 74. Our records indicate that this item was delivered on 01/07/2019 at 09:23 a.m. in COLUMBUS, OH 43216. The scanned image of the recipient information is provided below.

Signature of Recipient :

www.usps.com for delivery or 800-ASK-USPS (276-8777)

Delivery Section	
Signature	
Address	

Address of Recipient :

Address	
City/State/Zip	

Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local post office or Postal Service representative.

Sincerely,
United States Postal Service

The customer reference number shown below is not validated or endorsed by the United States Postal Service. It is solely for customer use.

This USPS proof of delivery is linked to the customers mail piece information on file as shown below:

HARTFORD STEAM BOILER INSPE
C/O KEGLER BROWN HILL & RITTER
65 E STATE ST SUITE 1800
COLUMBUS OH 43215
COLUMBUS
OH
43215

Customer Reference Number: C1148596.6603398

Return Reference Number: 2018CV0703 N 000 036 638